THE

# The Conspiracy Against Silver

OR

A PLEA FOR

# BI-METALLISM

IN THE

UNITED STATES.

BY

E. J. FARMER.

CLEVELAND, OHIO:
HILES & COGGSHALL, PRINTERS AND BINDERS,
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# FACTS IN FAVOR OF BI-METALLISM.

FIRST.— *That both Gold and Silver have been used as money from the earliest ages; and that the ratio of value between the two metals has changed but little in 3000 years.*

SECOND.—*That the increase in the quantity of the precious metals has not kept pace with the increase of population, and the increase of commerce and trade.*

THIRD.—*That in order for any metal to form a basis of value as money, there must be enough of it for that purpose.*

FOURTH.—*That history proves there has been enough of gold and silver combined to serve mankind as a basis of value through all the ages, but there has not been enough of either metal alone.*

FIFTH.— *That the effort to demonetize silver and establish a gold basis alone, has resulted in untold disaster to the people of every nation that has attempted it.*

SIXTH.— *That the true basis of value is a gold and silver basis,—that it is the most permanent and gives to nations the greatest degree of prosperity.*

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# INTRODUCTION.

The first edition of this pamphlet, though large, having been exhausted, and a demand coming for more copies, I have revised and enlarged it. Much new and valuable material has come into my hands, both from members of Congress, and from the National Bi-metallic Association; and, in this revision, I have quoted copiously from the speeches made in Congress, by the Hon. G. G. Symes, and Hon. H. M. Teller of Colorado; Senator Beck of Kentucky; Hon. John H. Regan, and Hon. Roger Q. Mills of Texas; Hon. Joseph H. Brown of Georgia; the Minority Report of the Committee on Coinage, Weights and Measures; and from any and all sources within my reach, where valuable facts and statistics could be had in relation to Bi-metallism. Believing in equal rights for gold and silver—and that history proves the true basis of value is a gold and silver basis—that it is the most permanent, and has given to nations the greatest degree of prosperity, I send forth this little pamphlet, in its second edition, with the hope, that by the facts here presented, it may in some measure contribute to the establishment of a sound Bi-metallic money basis for the United States, and to the general peace and prosperity of the nation. E. J. F.

Cleveland, March 20, 1886.

# THE CONSPIRACY AGAINST SILVER.

It seems almost incredible that any intelligent body of men can be found in the United States who are willing to join in a conspiracy against the business interests of this nation; and yet one cannot review the history of the past few years, nor listen to the assertions of the monometallists, without coming to just that conclusion. I say assertions—for the history of the past seven years has proven every statement made by the gold men in regard to silver to be false; and yet the old war cry, "Down with the silver dollar," is kept up by this gold party with a persistence worthy of a better cause. The world has looked on while nation has plundered nation; cities have fallen, and temples have been plundered by rapacious rulers that the glory of their own kingdoms might be advanced; but where on the face of the earth was there ever a meaner sight than that of a monarch plundering his own kingdom, destroying his own subjects, that he might revel amid his golden treasures, while his subjects starved for bread! What, then, are we to think of a set of men who for the purpose of their own aggrandizement would impoverish a nation by destroying one-half of its resources?

No nation under the shining sun has a fairer future than these United States of America, whose shores are bathed by two mighty oceans, whose climate has every varying change, from the tropics to the poles; whose mountains are teeming with gold and silver; whose rivers flow through fertile valleys, and whose plains are outstretched to the rains of heaven, yielding each year their increase in a golden harvest, sufficient to feed the world. Here is a land so fair that to its hospitable shores are coming in unnumbered thousands the oppressed of other lands. Here, under the ample folds of the American banner of Liberty, shall flourish the most prosperous nation that the sun has ever shone upon in its circuit of the globe. Free and

independent—before us lie the grandest opportunities that ever came to any people in the history of time. We threw off the shackles of England in the war of the American revolution. We have cleared our shores of the tyranny of Spain. We have by peaceful purchase absorbed an empire from our old friends and allies, the French. We have encroached upon ancient Mexico and conquered a kingdom from her. We have blotted out the conspiracy of a great rebellion, and though still in our youth, we are the richest nation upon the earth.

While these things are so we find old England envious and still grappling with us for our wealth. She has grown rich upon the $1,300,000,000 of gold we have sent her since 1849 from our gold mines. She has grown impudent toward us since we have opened our treasure vaults of silver, of which she has none. She has conspired with the Tory capitalists of our Eastern States to rob us of our possessions as surely as she conspired with Benedict Arnold to betray to her our armies in the days of the Revolution. This England has never yet given up the idea of victory over the material resources of America. She tampers with our Congress, in our finances and our tariffs. She reaches forth her golden arm to destroy the value of our silver, and she finds her dupes and her co-conspirators amid the bankers of New York and Boston. Having lost the American market for her iron, for her coal, and largely for her manufactured goods, she seeks now, by destroying the value of our silver product, to filch from us that metal by enhancing the value of her gold. She has robbed Germany, and destroyed vlaues in Austria and elsewhere in Europe by deceiving these nations into adopting a gold basis for their financial affairs, whereas they had not sufficient gold for the purpose, nor could she supply them with it. The millions of silver which she thus persuaded these nations to part with—to the ruin of their people—passed through the English market on its way to India, Russia, and to Spain. While gold is the money of England, silver is the money of her Indian Empire, and into India goes the silver that England obtains, not only from the European nations, but also fifteen millions which she annually secures from the United States. This silver

is necessary to England—she must have it. She has no silver mines of her own, and therefore delights to filch it from surrounding nations. Cut off America's supply of silver to England and instantly the price of silver will advance in the English market. One-half of all that goes from England to India comes from the United States. As long as we are fools enough to melt our silver into bullion, and sell it to England at any price she chooses to give us for it, so long will she depreciate the value of this precious metal. As long as we are fools enough to let her buy $1.20 in silver for $1 in gold, so long will she do it; and having thus for years robbed us of our silver, she will not readily consent that we shall coin it all into silver dollars and keep it at home. England knows that she cannot get one of these silver dollars for less than a gold dollar, and therefore has she conspired with a certain class in America to stop the coinage of silver, and, if possible, to demonetize it.

Through treachery silver was demonetized in the United States by the law of February 12, 1873; but so secretly was this done, that General Grant, who signed the law, did not know it; nor did he seem to be aware of its contents as late as January 14, 1875, for, at that date we find him recommending one or two new mints to be established at Chicago, St. Louis or Omaha. In his message of that date also, announcing his approval of the Specie Resumption Act, he uses the following words: "With the present facilities for coinage, it would take a period, probably beyond that fixed by law for final specie resumption, to coin the silver necessary to transact the business of the country." Here it is evident that General Grant had no idea but what the Government should prepare to coin Legal Tender Silver Dollars, and to have enough of them on hand to resume specie payments with, at the date fixed by law—which was at that time four years distant. The parties who concocted that law understood its purpose, however, and no doubt received their reward, whether it was in 30 pieces of gold, or more. They as completely sold out the nation, as Judas sold out Christ, and yet we have apologists for that transaction all over the country to-day. When the people became aware of how their interests

had been sacrificed to the "golden calf," they demanded the re-instatement of silver, and with great difficulty procured it, in an emasculated form, in the Bland Bill passed February 28, 1878. Then it was that the enemies of silver began to pour out the vials of their wrath, and to predict the direst evils that ever befel a nation. These conspirators have kept up their Cataline assemblages ever since, and, backed by England, have their daggers ever ready to strike down the silver dollar. No statement is too false for them to make; no scheme too dastardly to attempt—the exaltation of their golden idol is their one song, and as priests to this golden Juggernaut, they smile to see the wreck and ruin its gilded wheels have wrought; while around this car may be seen the bloody footprints of the British lion.

But let us consider this subject from another standpoint, and see what history teaches in regard to the impossibility of maintaining a gold standard, without crushing out the prosperity of the nation.

Changes in the circulating medium, consequent upon an increased or diminished production of the precious metals, are among the subtlest influences which affect trade. When millions of gold and silver are pouring from the mines, each year, into the markets of the world, as was the case from the discovery of the California and Australia gold mines, and from the rich silver mines of Nevada, in the decade and a half from 1850 to 1865, the effects were to stimulate all trade, to energize commerce, to push the world forward in material prosperity. For a time the precious metal production was in excess of the growth of population, and the demands of trade; but under the stimulus, trade and commerce took rapid strides, in time they grew to a point equal to the supply of the precious metals, and then passed beyond it. Had the supply kept up, the demands of trade and increase of population would have been equal to its absorption, but at the time it was most needed, a heavy falling off of the production occurred, which brought about commercial stagnation and agricultural depression, by which for a period of ten years, the world has suffered. History repeats itself—such days of commercial activity and depression have been before

notably in the discovery of the New World, and after the conquest of Mexico and Peru; nevertheless, the turn in the tide has been much hastened by the demonetization of Silver in Germany in 1871, and in the United States in 1873. When Mr. Jacob published his work on the precious metals in 1831, the production was at its lowest point—being not over a sixth of what it was for the twenty years previous to 1810—while the production from 1810 to 1830 was only half what it had been for the decade previous. As a consequence of this, prices fell in England no less than 48 per cent. between 1809 and 1830, aided by England's great financial blunder, for at this particular epoch, or in 1816, England demonetized her silver. Nor did the decline in prices stop there, for says Mr. Jevons:

"Between 1809 and 1849, prices fell in the ratio of 100 to 41; in other words, since the year immediately before the produce of the gold and silver mines began to decrease—in 1810—the value of money had risen *about* 60 *per cent., or three fifths*—three sovereigns at the middle of the century being worth as much as five sovereigns were in 1809." Just at this point the gold mines of California and Australia were discovered, and England was saved as by a miracle from universal bankruptcy and ruin. Here the scheme of demonetizing silver was put in operation when the production of the precious metals was rapidly decreasing, but not as rapidly as it is now in comparison to the demands of trade. THE CONSEQUENCE WAS THE VALUE OF GOLD IN A FEW YEARS ADVANCED 60 PER CENT. How foolish then are those who look to England for financial wisdom.

It is estimated that the stock of the precious metals, in America and Europe, to-day, is one-half larger than it was in 1848. Now these precious metals never get into circulation without an increase in the business operations of the world. Being stimulated by them, trade increases faster than the supply, which again occasions prices to fall, no matter how large the annual supply may be, if it be not equal to the demand. Now population increases steadily, so that, if a nation is to maintain a degree of prosperity, that rules at any particular period, the monetary requirements must increase with the growth of popu-

lation—but if the social condition of that nation is to improve, then must trade and commerce increase more rapidly than population, and the money requirements must be equal to such a demand. Hence it is impossible for a nation to advance its material and social prosperity in a diminishing amount of circulating medium—for the record of the ages proves but one great fact—and that is, that nations always progress with an increase in the supply of the money metals, and as certainly always decline when this supply is diminished, or is unequal to the demands of trade. Now, it is estimated that the trade of the whole world quadrupled between 1840 and 1880—but the increase in the money requirements has not kept pace with the growth of trade—hence it is that for years we have had depressed trade, attributed by the majority to every cause but the right one—the demonetization of silver in Europe and America. Mr. Goschen, an Englishman, estimates that in order to take the place of silver in the commerce of Germany, Italy and the United States, not less than 200 millions pounds sterling of gold would have been required since 1873, while the production of the whole world in that money metal has since 1873 been only 173 millions sterling, or *27 millions less than was needed for this purpose alone.* But Mr. Groschen and Mr. Griffin estimate in the ten years from 1873 to 1883, that the amount of gold consumed in the arts, the amount needed to replace the amount lost by casualties and abrasion, and to supply the coinage required for the increase of population and trade, would require not less than 220 millions pounds sterling more, or to meet the combined demand—as a substitute for the demonetized silver—and the arts and increase in trade, 420 millions of pounds sterling would be required. Now as the amount produced was only 173 millions sterling, there is a deficit of gold to the enormous amount of 247 millions sterling, *equal to a dozen years' production of all the gold mines in the world.* But as 5 millions sterling a year of gold goes to Asia, this increases the deficit by 50 millions sterling more, making the amount of shortage in gold fully 300 millions sterling or $1,500,000,000.

These computations were carefully made by Englishmen, thor-

oughly conversant with the gold resources of the world, and who are disposed to reckon the productions as large as possible. What, then, do these estimates prove? Just what the bi-metallists on facts maintain—*That in order for any metal to form a basis of value as money, there must be enough of it for that purpose. That history proves there has been enough of gold and silver combined to serve mankind as a basis of value through all the ages, but that there has not been enough of either metal alone.*

As long as England was the great creditor nation of the world, she might in a measure maintain her gold standard—for all nations paying her tribute, she might choose to take it in the least bulk—but when she undertakes, by an organized propaganda, to induce the whole world to adopt the gold standard, she is but bringing destruction upon other nations in order, if possible, to maintain her falling greatness. Any nation therefore that will attempt to float her golden argosies on England's fallacies will find herself sinking in a sea of trouble. Let England therefore maintain her gold standard, if she desires, until the crack of doom, but let the United States proceed to her magnificent destiny, under the banner of a bi-metallic standard. It is a fallacy to assert that a difference in the money standards is an obstruction to trade, as between commercial nations. It is no more true that America must demonetize silver, because England and Germany use gold, than that England and Germany must demonetize gold because America and France use silver. But it is an outrage upon the people of the United States that England should dare to meddle with our financial affairs; and a still greater outrage that she can find among the monied institutions of our country, men who will betray to her the interests of this nation.

In the statements which I have made some of my readers may think that I am entirely too hard upon England; but if any think so, let them suspend judgement until they have read the history of the resumption of specie payments in England, after her wars to crush Napoleon; or, "The Spoiling of the Egyptians," by J. Seymour Keay, an English Liberal. This book

has recently been published by G. P. Putnam's Sons, New York, and should be read by every American.

Before proceeding further I desire to present here, as a part of my argument in favor of bi-metalism, the Record of the Ages.

The following tables which I have taken from William Ralston Balch's carefully compiled octavo, entitled, "The Mines, Miners and Mining Interests of the United States," prove that both gold and silver have been used as money from the earliest ages, and that the rate of value between them has changed but little in 3,000 years.

In these tables the figures in the second column show how many times as valuable as a given weight of fine silver was an equal weight of fine gold at the dates named.

# THE RECORD OF THE AGES.

| DATE. B. C. | RATIO. | AUTHORITY. |
|---|---|---|
| 1000 | 13.33 | Inscriptions at Karnak. Tribute lists to Thutmosis. |
| 708 | 13.33 | Cuneiform inscriptions on plates found in foundation of Khorsobad. |
| 440 | 13. | Herodotus, account of Indian tributes, 360 gold talents—4,680 silver. |
| 400 | 13.33 | Standard in Asia according to Xenophon. |
| 404—336 | 12.<br>13.<br>13.33 | Values in Greece from the Peloponnesian war to the time of Alexander, according to allusions in various Greek writers. |
| 343—323 | 12.50 | Egypt under the Ptolemies. |
| 300 | 10. | Greece. Fall of gold caused by influx of Alexander's spoils. |
| 207 | 13.70 | Rome. Boeckh, book 1, chap. vi. |
| 189 | 10. | Rome. Ratio in tax payments. Polybius xxii.15. Livy xxxvii.II. |
| 186 | 10. | Rome. Strabo iv.vi.12. Polyb. xxiv.10. |
| 54 | 11.91 | Rome. Coinage ratio. Boeckh, book 1, chap. vi. |
| A. D. | | |
| 1 to 37 | 10.97 | Rome. Reigns of Augustus and Tiberius. |
| 37— 41 | 12.17 | Rome. Reign of Caligula. |
| 54— 68 | 11.80 | Rome. Reign of Nero. |
| 69— 79 | 11.54 | Rome. Reign of Vespasian. |
| 81— 96 | 11.30 | Rome. Reign of Domnitian. |
| 138—191 | 11.98 | Rome. Reign of Antonius. |
| 312 | 14.40 | Byzantum. Reign of Constantine. |
| 438 | 14.40 | Rome and Byzantum. |
| 864 | 12. | Probable ratio under the Carlovingien dynasty, as shown by Edictum Pistense. |
| 1260 | 12.60 | Average ratio in the commercial cities of Italy. |
| 1344 | 12.09 | England. Mint Indentures. Tooke vi.417. |
| 1349 | 11.57 | |
| 1356 | 11.16 | |
| 1401 | 11.16 | |
| 1421 | 10.33 | |
| 1464 | 10.33 | |
| 1465 | 11.16 | |
| 1482 | 11.16 | |
| 1351 | 12.30 | North Germany. Rules of Lubeck Mint. |
| 1375 | 12.40 | |
| 1403 | 12.80 | |
| 1411 | 12. | |
| 1451 | 11.70 | |
| 1462 | 11.60 | |

| Date. A. D. | Ratio. | Authority. |
|---|---|---|
| 1475 | 10.97¼ | Spain. "Memories de la Real Academia de Historia," tome vi. Madrid 1821. |
| 1480 | 12 55½ | |
| 1483 | 11.67½ | |
| 1497 | 10.75½ | |
| 1492 | 11. | Year of the discovery of America. Average of the mint ratios of England, France, Germany and Spain. |
| 1497 | 10.07 | Spain. Ratio established by Isabella. Edict of Medina, |
| 1500 | 10.05 | Ratio in Germany, according to Adam Riese's Arithmetic. |
| 1526 | 11.30 | Apparent relation of market value, as deduced from the British mint regulations. |
| 1543 | 11.10 | |
| 1561 | 11.70 | French mint regulations. |
| 1578 | 11.68 | |
| 1551 | 11.17 | German Imperial mint regulations. |
| 1559 | 11.44 | |
| 1604 | 12.10 | British mint regulations. |
| 1612 | 13.30 | |
| 1618 | 13.35 | |
| 1623 | 11.74 | Upper German regulations. |
| 1640 | 13.51 | French mint regulations. |
| 1665 | 15.30 | |
| 1667 | 14.15 | Upper German regulations. |
| 1669 | 15.11 | |
| 1670 | 14.50 | British regulations. |
| 1679 | 15. | French regulations. |
| 1680 | 15.40 | |
| 1687- 17 | 14.97 | Ratios calculated from the bi-weekly quotations of the Hamburg prices current in silver thalers down to 1771, and after that in fine silver bars. The nominal par of exchange during this period was 1:14.80; and the quotations show the variations of the market rate in percentage above this. |
| 1701- 20 | 15.21 | |
| 1721- 40 | 15 08 | |
| 1741- 90 | 14.74 | |
| 1791- 18 | 15.42 | |
| 1801- 10 | 15.61 | |
| 1811- 20 | 15.51 | |
| 1821- 30 | 15.80 | |
| 1831- 40 | 15.67 | |
| 1841- 50 | 15.83 | |
| 1851 | 15.46 | The London quotations. These give the price of a given weight of standard silver in shillings and pence sterling. Bearing in mind that there is in Great Britain no charge for coinage, and hence, that the price referred to varies exactly as the market value of the metals, we can calculate ratio as follows: The standard gold is $\frac{11}{12}$ fine, and its value is fixed at 77s. 10½d., or 934.5 per ounce |
| 1852 | 15.57 | |
| 1853 | 15.33 | |
| 1854 | 15.33 | |
| 1855 | 15.36 | |
| 1856 | 15.33 | |
| 1857 | 15.27 | |
| 1858 | 15.36 | |
| 1859 | 15.21 | |
| 1860 | 15.30 | |

| Date. A. D. | Ratio. | Authority. |
|---|---|---|
| 1861 | 15.47 | troy. Hence the value of an ounce of fine gold is $\frac{12}{11}$ of this sum, or 1019.45 pence. The standard silver, on the other hand is $\frac{37}{40}$ fine; hence an ounce of fine silver is worth 1.081 times as much as an ounce of standard silver. If the fixed value of an ounce of fine gold be divided by 1.081 times the quoted price of an ounce of standard silver the quotient is the ratio desired. Thus, if X be the quoted price per ounce in pence $\frac{1019.45}{1.081X} = \frac{943}{X}$, (very nearly) is the ratio. Briefly, dividing 943 by the price in pence of an ounce of standard silver gives the ratio correctly to the second decimal place. |
| 1862 | 15.35 | |
| 1863 | 15.38 | |
| 1864 | 15.40 | |
| 1865 | 15.33 | |
| 1866 | 15.44 | |
| 1867 | 15.57 | |
| 1868 | 15.60 | |
| 1869 | 15.60 | |
| 1870 | 15.60 | |
| 1871 | 15.59 | |
| 1872 | 15.63 | |
| 1873 | 15.90 | |
| 1874 | 15.15 | |

To which I add the following table taken from the Bankers Magazine:

STATEMENT SHOWING THE HIGHEST, LOWEST AND AVERAGE PRICES OF SILVER IN LONDON FOR A SERIES OF YEARS, AND THE EQUIVALENT IN UNITED STATES GOLD COIN OF THE AVERAGE PRICE.

| Year. | Lowest Quotations. | Highest Quotations. | Average Quotations. | Equivalent of Aver'ge Quotations. | No. of Stand'rd Grs. Required to Constitute a Dollar. |
|---|---|---|---|---|---|
| | D. | D. | D. | | |
| 1833 | 58¾ | 59⅞ | 59 3-16 | $1.29.7 | 411.20 |
| 1834 | 59¾ | 60¾ | 59 15-16 | 1.31.3 | 406.19 |
| 1835 | 59¼ | 60 | 59 11-16 | 1.30.8 | 407.74 |
| 1836 | 59⅝ | 60⅜ | 60 | 1.31.5 | 405.57 |
| 1837 | 59 | 60⅜ | 59 9-16 | 1.30.5 | 408.68 |
| 1838 | 59½ | 60⅛ | 59½ | 1.30.4 | 408.99 |
| 1839 | 60 | 60⅝ | 60⅜ | 1.32.3 | 403.12 |
| 1840 | 60⅛ | 60¾ | 60⅜ | 1.32.3 | 403.12 |
| 1841 | 59¾ | 60⅜ | 60 1-16 | 1.31.6 | 405.26 |
| 1842 | 59⅛ | 60 | 59 7-16 | 1.30.3 | 409.30 |
| 1843 | 59 | 59⅝ | 59 3-16 | 1.29.7 | 411.20 |
| 1844 | 59¼ | 59¾ | 59½ | 1.30.4 | 408.99 |
| 1845 | 58⅞ | 59⅞ | 59¼ | 1.29.8 | 410.88 |
| 1846 | 59 | 60⅛ | 59 5-16 | 1.30 | 410.25 |
| 1847 | 58⅞ | 60⅜ | 59 11-16 | 1.30.8 | 407.74 |
| 1848 | 58½ | 60 | 59½ | 1.30.4 | 408.99 |
| 1849 | 59½ | 60⅛ | 59¾ | 1.30.9 | 407.43 |
| 1850 | 59½ | 61½ | 60 1-16 | 1.31.6 | 405.26 |
| 1851 | 60 | 61⅝ | 61 | 1.33.7 | 398.90 |
| 1852 | 59⅞ | 61⅞ | 60½ | 1.32.6 | 402.20 |
| 1853 | 60⅝ | 61⅞ | 60½ | 1.34.8 | 395.64 |
| 1854 | 60⅞ | 61⅞ | 60½ | 1.34.8 | 395.64 |
| 1855 | 60 | 61⅝ | 61 5-16 | 1.34.4 | 396.82 |
| 1856 | 60½ | 62¼ | 61 5-16 | 1.34.4 | 396.82 |
| 1857 | 61 | 62⅜ | 61¾ | 1.35.3 | 394.18 |
| 1858 | 60¾ | 61⅞ | 61 5-16 | 1.34.4 | 396.82 |

| Year. | Lowest Quotations. | Highest Quotations. | Average Quotations. | Equivalent of Aver'ge Quotations. | No. of Stand'rd Grs. Required to Constitute a Dollar. |
|---|---|---|---|---|---|
| | D. | D. | D. | | |
| 1859 | 61¾ | 62¾ | 62 1-16 | 1.36 | 392.153 |
| 1860 | 61¼ | 62⅜ | 61 11-16 | 1.35.2 | 394.47 |
| 1861 | 61⅛ | 61⅜ | 60 13-16 | 1.33.3 | 400.09 |
| 1862 | 61 | 62⅛ | 61 7-16 | 1.34 6 | 396.23 |
| 1863 | 61 | 61¾ | 61⅜ | 1.34.5 | 396.54 |
| 1864 | 61⅝ | 62½ | 61⅜ | 1.34.5 | 396.54 |
| 1865 | 60½ | 61⅝ | 61 1-16 | 1.33.8 | 398.07 |
| 1866 | 60⅜ | 62¼ | 61⅛ | 1.33.9 | 398.30 |
| 1867 | 60⅜ | 61¼ | 60 9-16 | 1.32.8 | 401.60 |
| 1868 | 60⅛ | 61⅛ | 60½ | 1.32.6 | 402.20 |
| 1869 | 60 | 61 | 60 7-16 | 1.32.5 | 402.51 |
| 1870 | 60¼ | 60¼, | 60 9-16 | 1.32.8 | 401.60 |
| 1871 | 60 3-16 | 61 | 60½ | 1.32.6 | 402.20 |
| 1872 | 59¼ | 61⅛ | 60 5-16 | 1.32.2 | 403.42 |
| 1873 | 57⅞ | 59 15-16 | 59¼ | 1.29.8 | 410.88 |
| 1874 | 57¼ | 59½ | 58 5-16 | 1.27.8 | 417.31 |
| 1875 | 55½ | 57⅝ | 56⅞ | 1.24.6 | 428.03 |
| 1876 | 46¾ | 58½ | 52¾ | 1.15.6 | 451.35 |
| 1877 | 53¼ | 58¼ | 54 13-16 | 1.20.1 | 444.07 |
| 1878 | 49½ | 55¼ | 52 9-16 | 1.15 2 | 462.96 |
| 1879 | 48⅞ | 53¾ | 51½ | 1.12.3 | 474.91 |
| 1880 | 51⅜ | 52⅞ | 52¼ | 1.14.5 | 465.79 |
| 1881 | 50⅞ | 52⅞ | 51 15-16 | 1.13.8 | 468.65 |
| 1882 | 50⅞ | 52⅞ | 51 13-16 | 1.13.6 | 469.47 |
| 1883 | 50 3-16 | 51 3-16 | 51¼ | 1.11.8 | 477.03 |
| 1884 | 49½ | 51⅜ | 50¾ | 1.11.3 | 479.18 |

## Relative Value of Silver to Gold, by Periods, 1493-1885.

(Estimated by Dr. A. Soetbeer, in his "Edelmetall-Produktion," Gotha, 1879.)

| | *Years.* | | *Ratio.* |
|---|---|---|---|
| 108 yrs. 1:11.5 | 1493-1520 | 28 years | 11.3:1 |
| | 1521-1544 | 24 " | 11.2:1 |
| | 1545-1560 | 16 " | 11.3:1 |
| | 1561-1580 | 20 " | 11.7:1 |
| | 1581-1600 | 20 " | 11.9:1 |
| 100 yrs. 1:14.0 | 1601-1620 | 20 " | 13.0.1 |
| | 1621-1640 | 20 " | 13.4:1 |
| | 1641-1660 | 20 " | 13.8:1 |
| | 1661-1680 | 20 " | 14.7:1 |
| | 1681-1700 | 20 " | 15.0:1 |
| 100 yrs. 1:15.0 | 1701-1720 | 20 " | 15.2:1 |
| | 1721-1740 | 20 " | 15.1:1 |
| | 1741-1760 | 20 " | 14.8:1 |
| | 1761-1780 | 20 " | 14.8:1 |
| | 1781-1800 | 20 " | 15.1:1 |

| | *Years.* | | *Ratio.* |
|---|---|---|---|
| 50 yrs. 1:15.7 | 1801-1810 | 10 years | 15.6:1 |
| | 1811-1820 | 10 " | 15.5:1 |
| | 1821-1830 | 10 " | 15.8:1 |
| | 1831-1840 | 10 " | 15.7:1 |
| | 1841-1850 | 10 " | 15.8:1 |
| 29 yrs. 1:15.85 | 1851-1855 | 5 " | 15.4:1 |
| | 1856-1860 | 5 " | 15.3:1 |
| | 1861-1865 | 5 " | 15.4:1 |
| | 1866-1870 | 5 " | 15.6:1 |
| | 1871-1875 | 5 " | 16.0:1 |
| 10 yrs. 1:18.2 | 1876-1880 | 5 " | 17.9:1 |
| | 1881-1885 | 5 " | 18.5:1 |

These tables on authority therefore prove that never until the year 1874 was the price of silver reduced to a point where our 412½ grain Silver Dollar was not of equal value in the open market to a dollar in gold. ***For nearly 3,000 years it would have been more than an equivalent, but now that by blundering legislation and conspiracy for the brief period of ten years it has been a few grains in value less than a given weight in gold; these modern wise-acres are attempting to set aside the record of the ages.***

What supreme nonsense! This nation will never permit it to be done.

In relation to the coinage of money and the establishment of Mints in the United States, Mr. Linderman, former Mint Director, in his "Money and Legal Tender" says:

"The act of April, 1792, established the mint, also money of account, and organized a national coinage.

The ideal unit of the money of account was the *Dollar*, divided into dimes or tenths, cents or hundredths, and mills or thousandths.

The money standard established by this Act was gold and silver in the ratio or relative valuation of 1 to 15. The gold coins authorized to be struck were the eagle, half eagle and quarter eagle, of the declared value of ten, five and two and a half dollars, respectively; silver coins, the dollar, half dollar, quarter dollar and dime; copper coins, the cent and half cent.

The gold and silver coins were made a full legal tender without limit, and the coinage thereof was *free to all persons depositing bullion at the mint.*

The *Dollar* or *Unit* adopted in 1786 by the Congress of the Confederation was to contain $375\frac{64}{100}$ grains pure silver. Before any coinage took place, the intrinsic or bullion value of the *Unit* was altered by the following provision in the Unit Act of 1792:"

"There shall be, from time to time, struck and coined at the said mint, dollars or units, each to be of the value of a Spanish milled dollar, as the same is now current, and to contain $371\frac{1}{4}$ grains of pure, or 416 grains standard silver."

The coinage of double eagles and gold dollar pieces or units was authorized by the Act of March 3, 1849, and the three dollar piece by the Act of February 21, 1853."

Herein it is distinctly stated that "The ideal unit of the money of account was the *Dollar*" that it contained in *1792, as it does now, $371\frac{1}{4}$ grains of pure silver,* and that "The gold and silver coins were made a full *legal tender without limit,* and the coinage thereof was *free to all persons depositing bullion at the mint.*" If history is of any value—if tradition is of any account—if the past is any guide for the future—then has silver a record that cannot be impeached. Again I submit an extract from Mint Director Linderman in regard to the

# MONEY STANDARD.

"The basis of the money system of all civilized nations is gold, or silver, or both, in a ratio fixed by law. These metals may accordingly be regarded as universal standards of value.

Where the ideal unit of the money of account is represented in unlimited legal tender gold coin only, and the value and legal tender silver coins are made subordinate to gold, the gold standard prevails; and where the money unit is represented in silver coins to the exclusion of gold as an unlimited legal tender, the silver standard prevails.

Where the unit is represented both by gold and silver coins of unlimited legal tender value, with unrestricted coinage, the double standard prevails. The ratio or relative valuation of the two metals, in the coins of nations employing the double standard is, at the present time, almost without exception, *one of gold to fifteen and a half of silver.*"

The nations of the world are classified as follows with reference to the metal of their legal tender coins and standards of value. This list is taken from the report of the Silver Commission of 1876. There has been no change since then except that Belgium has joined the gold standard countries:

GOLD STANDARD COUNTRIES.

| | |
|---|---|
| Great Britain, | Germany, |
| Canada, | Norway, |
| Australia, | Sweden, |
| Portugal, | Denmark. |

The total population of these is 93,000,000.

GOLD AND SILVER STANDARD COUNTRIES.

| | |
|---|---|
| The United States, | Holland, |
| Columbia, | Belgium, |
| Venezuela, | France, |
| Chili, | Switzerland, |
| Uraguay, | Italy, |
| Paraguay, | Spain, |
| Greece, | Japan, |

Roumania.

The total population of these is 187,300,000.

SILVER STANDARD COUNTRIES.

| | |
|---|---|
| Russia, | Mexico, |
| Austria, | Central America, |
| Egypt, | Ecudor, |
| British India, | Peru, |

China.

The total population of these is 768,944,456.

In regard to this table, Judge R. W. Hughes, of Norfolk, Va., says: "It will be observed that the most conspicuous powers named in the table of the exclusive gold standard, are Great Britain and Germany. As to the rest in that category, Norway, Sweden and Denmark are virtual dependencies of Germany, and the remaining subordinate countries are actual or virtual dependencies of Great Britian.

As already stated, England embarked on her monometallic gold policy in 1821. Germany was never strong enough in finances to attempt that policy until after her conquest of France in 1871. By means of the indemnity of one thousand millions of dollars, which she then exacted from the French Republic, payable in gold, or its equivalent, she thought herself able to accomplish a change from the monometallic silver standard, which she had before maintained, to monometallic gold standard. Her legislation for the purpose was enacted on December 4th, 1871, and on July 9th, 1873, and took effect in 1873.

We have seen that these two nations were creditors of other countries to the enormous amount of *five thousand two hundred and fifty millions of dollars.* The object, therefore, for which they embarked upon this policy, is not difficult to divine. It is, indeed, avowed in Europe, though concealed by their apologists in this country. *The object was to augment the amount of the debts that were due them from other countries.*"

## TABLE OF THE PRESENT STANDARD OF GOLD AND SILVER COINS OF THE UNITED STATES.

| Coins. | Stand. Wt. Grs. Troy. | Grs. troy of pure gold or silver | Fineness thous. | No. pieces Coined. |
|---|---|---|---|---|
| $20 Double Eagle... | 516 | 464.40 | 900 | |
| 10 Eagle, gold...... | 258 | 232 2 | 900 | |
| 5 Half Eagle,gold | 129 | 116.1 | 900 | |
| 2.50 Quar. Eag. " | 64½ | 58.05 | 900 | |
| 3 piece, " | 77.4 | 66.66 | 900 | |
| 1 piece, " | 25.8 | 23.22 | 900 | |
| Silver Dollar......... | 412 5 | 371.25 | 900 | |
| Silver Half Dollar.. | 192 | 172.8 | 900 | |
| Silver Quar. Dollar, | 96 | 86.4 | 900 | |
| Silver Dime .......... | 38⅖ | 34.56 | 900 | |
| Silver Half Dime... | 19⅕ | 17.28 | 900 | |

The following table taken from Blaine's Twenty Years in Congress, with additions to date, shows the amount of Gold and Silver Coins issued from the Mints of the United States in each Decennial period since 1793:

| Period. | Gold. | Silver. |
|---|---|---|
| 1793..................1800 | $ 1,014,290 00 | $ 1,440,454 75 |
| 1801..................1810 | 3,250,742 50 | 3,569 165 25 |
| 1811..................1820 | 3,166,510 00 | 5,970,810 95 |
| 1821................. 1830 | 1,903,092 50 | 16,781,048 95 |
| 1831..................1840 | 18,756,487 50 | 27,309,957 00 |
| 1841..................1850 | 89,239,817 50 | 22,368,130 00 |
| 1851..................1860 | 330,237,085 50 | 46,582,183 00 |
| 1861..................1870 | 292 409,545 50 | 13,188,601 90 |
| 1871..................1880 | 393,125,751 00 | 155,123,087 10 |
| 1881................ 1883 | 204,076,239 00 | 84,268,825 65 |
| 1883..................1886 | 52,801,947 50 | 57,622,347 45 |
| | $1,389,981,508 50 | $434,224,610 00 |

Minor Coinage, $17,463,608 44
Grand total, $1,841,669,726 94.

Here we see that three times as much gold as silver has been coined at our mints, and doubtless the proportion would have been much greater but for the facts developed in the following table:

**EXPORTS AND IMPORTS OF GOLD AND SILVER COIN AND BULLION SINCE 1835.**

**Extract from Annual Report of the Bureau of Statistics of Foreign Commerce of the United States for 1881.**

| Year Ending Sept. 30. | Excess of Expts. | Excess of Impts |
|---|---|---|
| 1835 | | $ 6,633,672 |
| 1836 | | 9,076,545 |
| 1837 | | 4,540,165 |
| 1838 | | 14,239,070 |
| 1839 | $ 3,181,567 | |
| 1840 | | 465,799 |
| 1841 | 5,045,699 | |
| 1842 | 726,523 | |
| 1843—June 30 | | 20,799,544 |
| 1844 | | 376,215 |
| 1845 | 4,536,253 | |
| 1846 | 127 536 | |
| 1847 | | 22,124,265 |
| 1848 | 9,481,332 | |
| 1849 | | 1,246,595 |
| 1850 | 2,894,202 | |
| 1851 | 24,019,249 | |
| 1852 | 37,169,091 | |
| 1853 | 23,285,493 | |
| 1854 | 34,342,162 | |
| 1855 | 52,587,531 | |
| 1856 | 41,537,853 | |
| 1857 | 56,675,123 | |
| 1858 | 33,358,651 | |
| 1859 | 56,452,622 | |
| 1860 | 57,992,104 | |
| 1861 | | 16,548,531 |
| 1862 | 20,472,588 | |
| 1863 | 54,572,506 | |
| 1864 | 92,280,929 | |
| 1865 | 57,833,154 | |
| 1866 | 75,343,979 | |
| 1867 | 38,797,897 | |
| 1868 | 79,595,734 | |
| 1869 | 37,330,504 | |
| 1870 | 31,736,487 | |
| 1871 | 77,171,064 | |

| Year Ending Sept. 30. | Excess of Expts | Excess of Impts |
|---|---|---|
| 1872 | 66.133,845 | |
| 1873 | 63,127,637 | |
| 1874 | 38,175,499 | |
| 1875 | 71,231,425 | |
| 1876 | 40,569,621 | |
| 1877 | 15,387 823 | |
| 1878 | 3,918,811 | |
| 1879 | 4,701,441 | |
| 1880 | | 75,891,390 |
| 1881 | | 91,168,650 |
| Total | $1,311,813 926 | $263,200,461 |
| Excess of Exports | | $1,048,613,465 |

"Now here's a state of things!" Is it any wonder that England could maintain a gold standard while she was filching from us our gold at the rate stated above?

The balances of trade up to 1878 were heavily against the United States, and these balances being due to a nation using the gold standard, they were for the most part paid in gold. Since that period, however, our trade and commerce has grown to such an extent that the balances of trade are now steadily in favor of the United States; especially from the gold standard nations—hence it is that the gold of the world is flowing to our shores. Again it will be noted, as a matter of fact, I do not say as a consequence, that gold never began to flow back to the United States until after we resumed in good earnest the coinage of the silver dollar. The gold monopolists know well these facts, but they are like the Defenders of the Faith, who when Galileo turned his telescope and discovered the moons of Jupiter, declared that it was impious to look.

The following Statement, shows the estimated amount of gold and silver coin and bullion in the United States on the 1st of January, each year from 1878 to 1885, inclusive, the amount in the Treasury, and the amount in active circulation, was prepared by Mr. Burchard, former Director of the Mint.

| | 1878. | 1879. | 1880. | 1881. | 1882. | 1883. | 1884. | 1885. |
|---|---|---|---|---|---|---|---|---|
| In the United States: | | | | | | | | |
| Gold coin | $218,000,000 | $273,000,000 | $327,000,000 | $395,000,000 | $487,000,000 | $524,000,000 | $552,000,000 | $563,000,000 |
| Gold bullion in mints and New York assay office. | 10,671,164 | 5,275,424 | 61,634,318 | 95,260,851 | 87,977,602 | 51,981,432 | 66,406,346 | 63,422,646 |
| Total gold coin and bullion. | 228,671,164 | 278,275,424 | 388,634,318 | 490,260,851 | 574,977,602 | 575,981,432 | 618,406,346 | 626,422,646 |
| Silver coin | 65,000,000 | 95,000,000 | 128,000,000 | 157,000,000 | 186,000,000 | 213,000,000 | 242,000,000 | 264,000,000 |
| Silver bullion in mints and New York assay office. | 3,374,982 | 11,057,140 | 4,492,421 | 6,183,224 | 3,607,829 | 4,468,193 | 5,661,841 | 5,665,758 |
| Total silver coin and bullion | 68,374,982 | 106,057,140 | 132,492,421 | 163,183,224 | 189,607,829 | 217,468,193 | 247,661,841 | 269,665,758 |
| In the Treasury: | | | | | | | | |
| Gold coin and bullion | 116,520,934 | 135,382,639 | 157,790,321 | 156,742,095 | 172,617,467 | 171,504,568 | 219,014,739 | 234,975,851 |
| Silver coin and bullion | 6,853,789 | 30,557,533 | 56,542,114 | 79,142,799 | 99,161,408 | 125,006,727 | 151,207,884 | 181,362,978 |
| Total | 123,374,723 | 165,940,172 | 214,332,435 | 235,884,894 | 271,778,875 | 296,511,295 | 370,222,623 | 416,338,829 |
| Outside of the Treasury: | | | | | | | | |
| Gold coin and bullion | 112,150,230 | 142,892,785 | 230,843,997 | 333,518,756 | 402,360,135 | 404,476,864 | 399,391,607 | 391,446,795 |
| Silver coin and bullion | 61,521,193 | 75,499,607 | 75,950,307 | 84,040,425 | 90,446,421 | 92,461,466 | 96,453,957 | 88,202,780 |
| Total | 173,671,423 | 218,392,392 | 306,794,304 | 417,559,181 | 492,806,556 | 496,938,330 | 495,845,564 | 479,749,575 |

It will, by this table, be made plain that the stock of gold in the United States has been increased from January 1st, 1878, to January 1st, 1886, nearly $400,000,000; or in other words it has increased from $228,000,000 to $626,000,000. Now our gold mines—in these eight years—according to the report of the Director of the Mint—have produced not to exceed $228,-000,000; of which amount fully $80,000,000 has been consumed in the arts—leaving only $200,000,000 to be added to our stock of coin and bullion. Thus it is made clear, that we have added to our stock of gold, by direct importation in the balances of trade, not less than $200,000,000. All these eight years the mints have kept steadily pounding away on the silver dollar, so that not less than $218,000,000 have been added to our stock of money and prosperity. Yet in the face of these well-known facts, the gold party, in New York and throughout the country, have kept all the time asserting—that the continual coinage of silver was ruining the nation—that all our gold was leaving the country—that silver and gold could not and would not circulate as legal tender together—that we were on the verge of a great financial crash—that unless we stopped coining silver we would soon be a nation of paupers—that finally the world had grown so wise that none but barbarous nations would use silver.

The worshipers of the "golden calf" are numerous and powerful, and hesitate at no statements, however false, to gain converts to their cause. They mystify this financial question in every possible way; and by looking as wise as owls, attempt to make the people believe it is one of those subjects that requires the wisdom of a Socrates to understand, and the ability of a Webster to explain. They do not state the plain fact that a gold standard means the pauperism of labor, as exhibited in Europe to day; that it means ignorance and misery, and if ever the people of America had cause to call down the curse of heaven upon these gold Shylocks—they have cause to do it now. It is this conspiracy against silver—the money of the people—the attempt to deride and depreciate it—and finally, to crush it out of existence as money, that is doing more detriment to the busi-

ness interests of the country to-day, than all other causes combined. In a word they are conspirators against silver and the interests of this nation.

**ESTIMATE OF GOLD AND SILVER PRODUCED IN THE UNITED STATES FROM 1845 TO 1884, INCLUSIVE.**

From Official Reports by the Director of the Mint of the United States.

| Year. | Gold. | Silver. | Total. | Year. | Gold. | Silver. | Total. |
|---|---|---|---|---|---|---|---|
| | Dollars. | From 1849 to | Dollars. | | Dollars. | Dollars. | Dollars. |
| 1845... | 1,008,327 | 1858. | 1,008,327 | 1865... | 53,225,000 | 11,250,000 | 64,475,000 |
| 1846... | 1,239,357 | | 1,139,357 | 1866... | 53,500,000 | 10,000,000 | 63,500,000 |
| 1847... | 889,085 | Estimated | 889,085 | 1867... | 51,725,000 | 13,500,000 | 65,225,000 |
| 1848... | 10,000,000 | product, | 10,000,000 | 1868... | 48,000,000 | 12,000,000 | 60,000,000 |
| 1849... | 40,000,000 | $50,000 per | 40,000,000 | 1869.. | 49,500,000 | 12,000,000 | 61,500,000 |
| 1850... | 50,000,000 | annum. | 50,000,000 | 1870... | 50,000,000 | 16,000,000 | 66,000,000 |
| 1851... | 55,000,000 | | 55,000,000 | 1871... | 43,500,000 | 23,000,000 | 66,600,000 |
| 1852... | 60,000,000 | (The silver | 60,000,000 | 1872... | 36,000,000 | 28,750,000 | 64,750,000 |
| 1853... | 65,000,000 | mines of the | 65,000,000 | 1873... | 36,000,000 | 35,750,000 | 71,750,000 |
| 1854... | 60,000,000 | U. S. were | 60,000,000 | 1874... | 33,490,902 | 37,324,594 | 70,815,496 |
| 1855... | 55,000,000 | discovered in | 55,000,000 | 1885... | 33,467,856 | 31,727,560 | 65,195,416 |
| 1856... | 55,000,000 | 1859.) | 55,000,000 | 1876... | 39,929,166 | 38,783,016 | 78,712,182 |
| 1857... | 55,000,000 | | 55,000,000 | 1877... | 46,897,390 | 39,793,573 | 86,690,963 |
| 1858... | 50,000,000 | $500,000 | 50,500,000 | 1878... | 51,206,360 | 45,281,383 | 96,487,745 |
| 1859... | 50,000,000 | 100,000 | 50,100,000 | 1879... | 38,899,850 | 40,812,132 | 79,711,990 |
| 1860... | 46,000,000 | 150,000 | 46,150,000 | 1880... | 36,000,000 | 38,450,000 | 74,450,000 |
| 1861... | 43,000,000 | 2,000,000 | 45,000,000 | 1881... | 34,700,000 | 43,000,000 | 77,700,000 |
| 1862... | 39,200,000 | 4,500,000 | 43,700,000 | 1882... | 32,500,000 | 46,800,000 | 79,300,000 |
| 1863... | 40,000,000 | 8,500,000 | 48,500,000 | 1883... | 30,000,000 | 46,200,000 | 76,200,000 |
| 1864... | 45,100,000 | 11,000,000 | 57,100,000 | 1884... | 30,800,000 | 48,800,000 | 79,699,000 |
| | | | | Total 40 yrs. | 1,651,678,301 | 645,972,260 | 2,309,645,471 |

Here we see, that since 1845 our gold and silver mines have produced over $2,300,000,000; and yet we have in the country to-day only $900,000,000—showing that $1,400,000 have been sent abroad. Now what we most desire in these United States is to keep our gold and silver at home, and to pay for our imports by our exports of cereals and manufactured goods. This we are doing, and can do in the future; so that we shall not only be able to keep our gold and silver at home, but also to add to our stock each year by importation from other countries in the balances of trade which are in our favor. Thus may we in time become the richest nation on earth, in the possession of vast stores of the precious metals. When Alexander the Great conquered Persia he found at Persepolis, its capital, a store of gold and silver amounting to as much as $2,000,000,000. No nation on earth possesses such a sum at the present time. The United States may possess this sum in a quarter of a century

—if we but care for and develop our precious metal mines, and coin their product into money at a rate that will keep it from falling as cheap bullion into the hands of the English.

**THE WORLD'S CIRCULATION OF GOLD AND SILVER AND PAPER MONEY.**

From the Annual Report of the Director of the Mint of the United States, December, 1883.

| Countries. | Per Capita. Paper. | Per Capita. Specie. | Countries. | Per Capita. Paper. | Per Capita. Specie. |
|---|---|---|---|---|---|
| | $ | $ | | $ | $ |
| Argentine Republic | 14.60 | 3.54 | Hayti | ....... | 8.36 |
| Australia | 9.03 | 25.01 | India, British | .24 | 4.07 |
| Austria-Hungary | 8.34 | 3.31 | Italy | 10.36 | 7.73 |
| Belgium | 11.38 | 23.93 | Japan | 3.82 | 3.80 |
| Bolivia | .49 | 2.32 | Mexico | .21 | 5.23 |
| Brazil | 9.18 | ....... | Netherlands | 18.92 | 18.34 |
| Canada | 11.33 | 3.07 | Peru | 4.29 | .62 |
| Central America | .06 | .93 | Portugal | 1.10 | 8.79 |
| Chili | 10.97 | 2.47 | Russia | 5.18 | 1.21 |
| Colombia | .63 | 1.50 | Spain | 4.14 | 12.03 |
| Cuba | 32.17 | 22.07 | Sweden and Norway | 5.19 | 2.77 |
| Denmark | 9.62 | 8.74 | Switzerland | 6.42 | 11.14 |
| France | 15.16 | 39.41 | Turkey | .21 | 3.00 |
| Germany | 4.59 | 12.31 | United States | 17.63 | 16 88 |
| Great Britain | 5.77 | 19.31 | Uruguay | 13.66 | 2.28 |
| Greece | 12.00 | 2.73 | Venezuela | .09 | 1.86 |

The foregoing table, in relation to the world's circulation of gold, silver and paper money, is given particularly to show the amount of money *per capita,* which for the United States is about $34—while France has over $54 or $20 per capita more than we possess. France is acknowledged to be the most prosperous nation in Europe, and we in the United States may well follow her example in this respect. Now as we have 60,000,000 of people, $20 per capita more money will make room for $1,200,000,000 in our circulating medium. Now if we were to attempt to make up this amount with silver dollars, at the rate of $2,000,000 per month, or $24,000,000 per year, the present rate at which we are coining them, it would keep our mints busy for the next fifty years. But in the meantime let us see what our population would amount to in fifty years. The growth of this nation at present is at the rate of nearly 3,000,000 per year increase,—or in other words, in fourteen years more, or in the year 1900, there will be 100,000,000 of people in the U. S.

Now, as a matter of fact, this nation has doubled in population every twenty-five years; but we will suppose that after the year 1900 the nation will double only once in fifty years, therefore in the year 1950 there will be 200,000,000 of people in these United States. So, it becomes at once apparent, that if we were to coin the silver we produced each year, we could not by any means supply the demand that will be created for it by the growth and development of the nation, to say nothing of attempting to make up with the precious metals, the 1,200,000,000 *of circulating medium of which we are now short* in order to have as much per capita as France successfully and profitably employs. It therefore becomes evident—that *we have not money enough at the present time in the United States to carry on the business of the country,* and that a demand should be made by the people for hundreds millions more circulating medium, and that it should come through the *free coinage of gold and silver, and by means of coin certificates issued upon the deposit of coin in the U. S. Treasury.*

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**Banks Hostile to Silver.**

The hostility of the National Banks to the silver coinage, is one of the greatest errors ever committed by a set of men having charge of monetary institutions. This hostility has been outspoken in all their conventions for years. It has been paraded through the newspapers and has been exercised continually through their Clearing House in New York. That this is so will be made apparent by a few extracts from a pamphlet published by the said Clearing House Association in 1885, which says:

"The aggregate gold reserves in the clearing house banks is now superabundant for all possible demands of business. They exceed one hundred millions in gold coin; besides which the banks have some twenty to thirty millions of dollars in foreign exchange, convertible into gold at pleasure, and some forty millions legal tender notes, exchangeable into the same coin.

These resources are great beyond precedent in our financial history. Besides all this, the banks and bankers throughout the

country are relatively well supplied, and the gold resources of the people are also ample for all their requirements."

Here it is distinctly stated that the resources in gold of the banking institutions of the United States are "great beyond precedent," and yet these are the parties who assert continually that the silver dollar is driving all the gold out of the country. Evidently consistency is no jewel in their eyes.

In regard to silver, this clearing house pamphlet says:

"As silver dollars were demonetized in 1873, the resumption of coin payments in 1879 was avowedly upon the gold basis. That it requires six of these silver dollars to make the commercial equivalent of five gold dollars. That the coinage of silver dollars is compulsory. The silver currency, as the unnatural volume increases, will be more and more the subject of daily irritation. It must, however, be accepted for the time as an unavoidable infliction, and be separated in practical business from current money by marked discrimination."

Surely the animus against silver is clearly stated here. But here are some of the Resolutions under which the clearing house is run:

"Pay and receive balances between banks at clearing house either in gold or U. S. legal tender notes."

"Receive silver dollars upon deposit only under special contract to withdraw the same in kind."

"Prohibit payments of balances at clearing house in silver certificates or in silver dollars, excepting as subsidary coinage in small sums, say under $10."

This is the kind of treatment the silver dollars and silver certificates have had at the hands of the New York bankers and New York clearing house. Is it any wonder silver will not circulate under such an embargo? Every effort has been made by these bankers to "corner" the government on gold, and through the aid of government officials, they have at times partially succeeded. Through their instrumentality chiefly, the silver dollar has been "boycotted" in the Treasury, and one of their number is reported to have said at their Convention, held at Louisville in 1883, "That rather than have this outrageous silver coinage

continue, it would be better that the whole amount of these rejected dollars, that now encumber the Treasury vaults, should be sunk into the sea." In answer to such outrageous language as this upon the part of a supposed intelligent banker, we would say, that if the class of bankers, to which Mr. Goldite belongs, who made this inane remark, were sunk to the bottom of the sea, "they never would be missed."

If silver was demonetized, as these conspirators desire, one-half of our precious metal resources would be destroyed; in fact more than one-half, as the proportion is about 8 to 5. But in destroying our silver industry, they would largely destroy the production of gold, as fully one-third of all we produce in the U. S. comes from the silver mines, where it is found in combination with silver. But the fact is all our silver and gold should be taken from the mines to the mints, thence into the Treasury of the U. S., where coin certificates should be issued for it. Thus each year there would be a large and much needed addition to the metallic wealth of the country in its circulating medium. Silver and gold, as fast as deposited in the Treasury, would be represented by coin certificates in circulation. Whenever the coin was wanted, the certificates would be returned to the Treasury, and the coin would come into circulation. Whenever there was more coin in circulation than there was a demand for, it would flow into the Treasury and coin certificates would take its place; and thus the equilibrium would be continually restored.

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## Depression in England.

"The opening paragraph of the Queen's speech to the Commons is an expression of regret that 'no material improvement can be noted in the condition of trade or agriculture.' This is simply a confirmation of all the advices that have come from England for a year past, and of what has been said by her most conspicuous economists, who have been vainly seeking a way out of the calamitous state of affairs. The royal commission appointed to make an inquiry into the cause of the trade depression and suggest remedies will probably be heard from before a

great while, and it may be expected to present some highly interesting disclosures regarding the real condition of the trade of the country. What remedies it may have to propose it is not easy to surmise.."

The above item from the daily press, gives for the Queen's speech the key note and the whole situation in England, Trade depressed—Agriculture in a deplorable condition—people begging for bread. What a comment on the financial policy of a nation, were the late bread riots in London! Money dear—everything else cheap—Gold upon a throne—the people starving for bread—and yet our New York and Boston bankers dare to point us to England for financial wisdom and seek to bring upon this country a like state of affairs.

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## A PARALYZED INDUSTRY.

### RUINOUS EFFECT OF THE DEMONETIZATION OF SILVER UPON THE GERMAN AGRICULTURIST.

### POWERFUL MOVEMENT INAUGURATED FOR THE RESTORATION OF THE DOUBLE STANDARD.

NEW YORK, Jan. 18, 1886.—Mr. William Henry Hurlbut writes from London to the editor of the New York Sun, saying:

"I have cabled you a summary of the petitions now pouring in upon the German Reichstag against any further persistence in that great blunder of the German financial administration by which silver was attempted to be demonetized in the empire, a blunder to which must be attributed mainly the perturbations and distress of the industries of the world since 1873. At the now current session of the Reichstag, the agricultural classes of Germany are making themselves heard in earnest. The German landed interests, landlords, farmers and peasants, are organized throughout the empire into unions, and these MAKE THEMSELVES HEARD through a body called the general committee of the congress of German farmers. This committee had handed in before the 10th of December to the Imperial Chancellor and the

Reichstag, one hundred and fifty-six petitions from farmers' unions and forty-two petitions from peasants' unions, with an address, of which I now send you the text:"

" 'The congress of German farmers has repeatedly recommended at its general meetings with regard to the monetary question, and has urged in the interest of German agriculture, the adoption by treaty of an international double standard. In the course of the past year the condition of German agriculture has unhappily become so much worse that the committee believes it is necessary to urge your illustrious body in this most emphatic matter to afford the swiftest and most decided assistance possible to the sorely tried agricultural interest of Germany. As we consider that a restoration of its value to silver by means of international bi-metallism is the surest and most thorough aid possible, the committee has advised the farmers' and the peasants' unions of Germany to unite in general petition against the single gold standard. The committee of the congress of the German farmers has the honor to lay before your illustrious body herewith a first installment of such petitions received up to this time by the bureau of the congress and to ask your attention to them. The

DISTRESS OF THE GERMAN FARMERS

is known to the imperial government, and we thankfully acknowledge the help which has been promised us. Unhappily, the measures adopted so far, and particularly the increase of the corn duties, cannot afford the necessary aid; on the contrary, the condition of the land interests has become so deplorable that unless help is shortly afforded, a general catastrophe is inevitable. The greater the necessity the more difficult becomes the alleviation. The fear now is widespread that special legislation is imperative to rescue the landed interests of Germany from destruction. In these circumstances we expect help and support from your illustrious body, and we believe it can be given in no such practical and effectual manner as by an effort on the part of your illustrious body to bring about international be-metallism. And we must here protest against the imputation that has been cast upon the German land interest of wishing by

means of bi-metallism, to deal unfairly with creditors. We are protecting ourselves against dear money. We demand for silver only a restoration to its old historic relations, and we see in this no injustice to creditors; certainly no injustice greater than the injustice done to debtors by the demonetization of silver. The rise of the gold ratio in all countries using silver and paper standards not only checks the exports resulting from German industries, but it has also created a competition with our German agriculture on the part of those countries which are the largest agricultural producers, against which custom duties are an inadequate protection, because

GOLD RISES RAPIDLY

in those countries to a point beyond the amount of the duties, and thereby practically annuls the defensive value of those duties. We express no opinion as to whether the adoption of bi-metallism without the support of England may or may not be disadvantageous to some branches of the wholesale and export trade of Germany. What we do say is that the existence of the industry and the land interest of Germany are of greater importance than some hypothetical disadvantages to our foreign commerce and our banking and exchange classes. Even as regards these, it does not seem to us desirable to wait upon the action of England. Our actual necessities afford much stronger reasons for a speedy understanding between the German empire and such other states as have long been ready to adopt this course and to effect general bi-metallism. May your illustrious body hear this

CRY OF DISTRESS

of the German farmers and give effect to our petition.'

"This means business. Negotiations appear to be now going on between the representatives of the agricultural interests as such and the powerful party led by Herr Windthorst which are likely to make this silver movement in Germany as important, relatively, ere long, as the silver movement in our own country."

## Silver Question in Europe.

LONDON, Jan. 22.—The annual meeting of the International Monetary Standard Association was held to-day. Mr. Henry H. Gibbs, ex-Governor of the Bank of England, presided, and in an address admitted that the progress of bi-metallism was slow in England, but said it was advancing in Germany. He said he believed that the royal commission on the depressed condition of trade in Great Britain would report that the present condition of the silver question had an important bearing on the depression. Mr. Henry R. Grenfell, Governor of the Bank of England, expressed confidence that the United States Congress would not alter the provisions of the Bland bill. Bi-metallism, Mr. Grenfell said, was of vital interest to trade and agriculture. Mr. Thomas Sutherland, member of Parliament for Greenock, and Mr. Samuel Montagu, member of Parliament for the Tower Hamlets, and other gentlemen also delivered addresses. The meeting resolved to form a gold and silver league on popular bases.

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## An Englishman on Silver.

In a letter from London to the New York Sun, Mr. William Henry Hulbert, formerly editor of the New York World, narrates a conversation he had with Mr. Henry Riversdale Grenfell, well known both in England and America as a leading director of the Bank of England and as an accomplished and able authority on questions of finance.

Mr. Grenfell said the probability of the United States going to the length of demonetizing silver was quite out of the question. He asked:

"What could you do with your silver? Not only would every silver mine in America be closed, but it would be absolutely impossible for you to sell the $200,000,000 of silver which you have coined. It would be impossible for you to sell this coin; I will not say without a loss, but at all. Where could it go? Who would buy it? For what produce of India could you exchange it? Europe certainly would not buy a dollar of it.

Selling presupposes buying. Before you can sell any commodity you must find a buyer for it. Again, if you could demonetize silver in the United States, the price of silver would fall, and as the price of silver fell the trade exports from India to Europe would be stimulated in competition with your exports. On account of the fall in the exchange value of silver, India now has to pay her $85,000,000 of annual debt charge to England, not in silver, but in wheat or in cotton. Thus it is really the price of silver which decides whether the wheat farmer in Dakota shall get a renumerative price for his wheat, and whether the cotton planter in Texas shall be undersold in the English markets by the Indian ryot. The less support, therefore, the United States afford to silver, the keener will be the competition you must meet, and the lower will be the prices at which your staple exports of wheat and cotton will be sold, on account of the inevitable concomitant increase in the oriental exports of these commodities to Europe."

"If the Bland bill were unconditionally repealed, Mr. Grenfell said, and if silver were demonetized in the United States, the tremendous collapse in trade which would follow that legislation would no doubt most effectually awake not the United States alone but the whole world to understand the importance of maintaining a sufficiency of the circulating medium, and of assuring the stability of the international exchange ratio of the two precious metals."

By the foregoing telegrams, of recent date, from London to the New York Sun, it is evident that there is, both in England and Germany, a very large and influential class who are bitterly opposed to the present gold standard of those countries. They see the wreck and ruin it is producing among their people, and they raise their voice for bi-metallism. They demand that silver shall be reinstated again as money, both in England and Germany—and they look to the people of the United States to "hold the fort," and help them. The cry of distress comes to us from high sources, and our congress must be dull indeed not to heed it and to help. There must be no stoppage of the coinage of silver in the United States, and never more a thought of permitting it to be demonetized.

Henry Carey Baird, of Philadelphia, writes thus in regard to the unlimited coinage of silver, in its relations to

COMMERCE OR ASSOCIATION:

"Nearly thirty years spent in the discussion of economic questions, and in a struggle to induce the Government of the United States to legislate in harmony with the actual laws which control man in his efforts to improve his condition, have burned into my very soul a profound realization of the truth of the proverb which teaches that *the price of liberty is eternal vigilance.* Any man who expects to obtain this great boon at a lower cost will find that it cannot be had. The present attempt to discredit silver and to force the Government of the United States to cease its coinage is merely another phase of the persistent determination throughout the history of mankind of the few and powerful to crush the many, who, except by unity of action, are weak.

"Commerce is the master, and currency the servant, and not the reverse as legislation has so long decreed. The first and greatest, the paramount need of man is association, the exchange of services, commodities and ideas, with his fellow men. From the cradle to the grave this environment it is which most controls his condition, his life, his destiny. Born the most helpless of animals, he is capable of the highest developement, individuality and power; but this developement is only possible through association. This power is in direct ratio to his ability to command the services of his fellow men.

"To investigate the broad question of money and its substitutes, while ignoring the necessity under which man stands for association, and the effects of that necessity on him, is equally rational, with an attempt to solve the problems of the universe while ignoring the law of gravitation.

"And yet legislators in all ages and countries have directed their attention to money the instrument, and wholly ignored commerce the principal. Thus have they regulated the volume of money by the quantity of gold or silver, or both, which their countries could control, wholly regardless of the necessities of commerce and with the result that a large majority of their people were, therefore, perpetually steeped in poverty, misery, ignorance and

degradation, because of an absence of the power to dispose among themselves of their labor, and which labor thus perished forever from off the earth.

"While, then, one of the first and most imperative duties of the State is to furnish to its people an ample supply of good money, the Government of the United States from 1789 until compelled by the necessities of war wholly failed in this great duty. In 1862, after a whole year of torpidity and blundering, and the almost fatal worship of old dogmas, it awoke to a realization of the gravity of the situation and passed the legal tender act. The money issued under this act was, however, merely created for the purpose of saving the State, as a whole, the previously existing currency being wholly insufficient to enable the government to develop a power of association with the people equal to the exigencies of the hour. No consideration whatsoever was given to the people themselves, their commerce, their prosperity or their happiness. Hardly had the sound of hostile cannons ceased throughout the land, than the government through its finance minister commenced a war of extermination on this money until the country through his administration and those of his successors became a scene of bankruptcy, misery and woe, the rapidity of the operation of which, was unparalleled in the annals of mankind. This was done on the plea that the currency must have 'a metallic basis.'

"By the act of February 28, 1878, the coinage of a minimum of $2,000,000 worth of silver bullion per month into dollars with the issue of silver certificates was provided for. Here the bullionist was met on his own ground, but he was and still is unhappy. He now charges that because the bullion in the silver dollar is not worth a dollar in gold that this coin is but an 'eighty cent dollar.' The question now before us is not: Is there, or is there not a dollar's worth of silver in a silver dollar? But rather: Does American commerce demand in greater volume than can be had in gold, greenbacks, and National Bank notes, the instrument of association? This latter is the burning question; and until it is fully and conclusively answered, that one in regard to the silver in the silver dollar is not open for

discussion. Association or Commerce is the Czar, not money; this latter being merely the subject, or the serf of that Czar.

"While December 31, 1881, the net National Bank circulation was $325,018,161, on July 1, 1885, it was but $269,147,670, showing a contraction of $55,970,471. The appalling magnitude of this contraction had it not been relieved by the issue of silver dollars and their certificates can be more fully realized, when it is stated that the contraction of legal tender notes from January 1, 1875, to May 31, 1878, was $35,318,984, and that of the National Bank circulation between March 1, 1875, and May 1, 1878, $22,640,645, or together $57,959,629. So that the contraction of National Bank circulation within the past three and a half years has been within $2,000,000 of the total contraction of 1875–8, which almost annihilated trade and commerce, destroyed railroad property to the amount of hundreds of millions of dollars, and brought ruin and misery to millions of our people.

"But a repetition of the dire calamities of 1875–80 has been averted, and why? By reason of the fact that of silver dollars and silver certificates between February 28, 1878, and August 31, 1885, $137,474,462 net actually outside of the Treasury, and indeed almost entirely out among the people, have been injected into the currency. Those outlaws, the National Banks, held, July 1, 1885, of all silver coins and of silver certificates but $12,036,624. And yet in despite of this great silver circulation the Secretary of the Treasury was in the autumn of 1883 obliged to relieve the monetary stringency by weekly redemption of called bonds without rebate of interest; and in May, 1884, a panic occurred in Wall street which threatened to involve the entire country. A total collapse of our precarious bank-credit system was only averted by the creation by the New York city banks of clearing house certificates and a violation of the law as to bank reserves and loans.

"In view of the foregoing facts is it too much to say that the act of February 28, 1878, providing for silver dollars and silver certificates was not only necessary to the commerce of the country, but has proved the salvation of every legitimate interest and

averted a great financial crisis, and thus been one of the most benificent laws ever enacted by Congress?

"But it is maintained that the coinage of silver dollars is a menace to the currency, and the cause of the present depression of business. This is in the face of the fact that this depression is greater and has been longer continued in Great Britain where there is no such coinage. But the strangest phase of this case and the most inconsistent with this reasoning, is the fact, that although $137,000,000 of this so-called 'depreciated currency' has been added to the circulation, merchandise is lower than it has ruled for twenty-five years, and the people refuse to part with this depreciated currency in exchange for that merchandise. These facts are wholly antagonistic to the theory as to the present business depression, which may more properly be looked for in the enactment of the tariff of March 3, 1883, which reduced duties at a time when, owing to business stagnation and low prices in Europe, they should have been increased.

"But who are those who charge this depreciation and dishonesty on this dollar? Are they not officers of National Banks? Well, what of their dollar? Let us see! The deposits of the National Banks July 1, 1885, the currency in which the people are obliged to discharge their large obligations, were $1,106,376,516; at the back of which were, of legal tenders, fractional currency, gold and silver, treasury certificates of all kinds, and funds with United States Treasurer, but $295,341,657. Judged by the touchstone applied by these bankers to the silver dollar the bank dollar is but a 26.7 cent dollar.

"But it is said that silver is the 'inferior currency' and will 'drive the superior gold out of the country.' Well, what if it does? Is that a good and sufficient reason for the non-utilization of silver? For answer we must consult commerce, and the reply here is: If the volume of currency is not adequate to the wants of commerce, without the use of silver, then use the latter regardless of its consequences on the movements of gold. The disappearance of no amount of it, if its place be supplied by other money, will in its disasters equal the loss of labor power through enforced idleness of even one million of men, women and chil-

dren for ten, five, two, or even one year, at one dollar per day each. Imagine the effect of an increase of $3,000,000,000 in ten years, or even of $300,000,000 in one year to the National Debt, and some slight idea may be obtained of the effect of such blundering as the subordination of the commerce of a great country to its instrument, money.

"Verily is India rapidly working into a position, through which, while enriching herself, she will finally in conjunction with China and other Asiatic countries settle the silver problem without assistance from, but at immense cost, to us.

"From the foregoing considerations, viewed from the standpoint of COMMERCE, the only sound one, the conclusion is inevitable that not only should the coinage of the silver dollar not cease, but that it should, like gold, be made without limit, for it is not for one moment to be tolerated that money, the servant, the instrument of association, shall be permitted to dominate over MAN, the master, whose very existence depends upon that association. Should the policy of unlimited coinage of silver result in a temporary depreciation of the currency below a gold standard, that depreciation will carry within itself the elements of its own appreciation by stimulating exports, and limiting imports; and it will ultimately through commerce, give us prosperity, civilization, and internal peace and a double standard, accompanied by a low rate of interest, and thus avoid inflicting any further wrong upon this people, who, during the past two decades, have, in the interest of the gold standard, suffered enough misery to last them for at least a century, if not for all time.

"The issue now made, in which the silver dollar, the original standard of payment of the United States, the legal tender, the 'current money of the realm,' is charged with being less than a dollar, is a false issue. The real issue is whether we shall associate, have commerce directly among ourselves, or whether that commerce shall be had for us by those modern feudal barons, the banks, whose dollar is a 26.7 cent dollar, and who would in the process enslave us; for he who holds control of the commerce of a people is the lord and master of that people."

Hon. Wm. M. Evarts in a speech at Boston on the Silver Question, said:

"Is there any more responsible question to be brought to the nations of Europe, and this, our own, than that one, whether when heretofore two metals have supported commerce, and the credit of the world, one of these can be struck down. What would happen if it should be done?"

To which we may answer, if the example of England and Germany in demonetizing silver, was followed by India, China, Spain, Russia and the other silver using nations, that it would produce consternation, misery and chaos throughout the entire civilized world. How utterly idiotic therefore such a policy would be, for if it would thus work wholesale destruction when applied upon a large scale, how reckless toward the welfare of her people must that nation be that would attempt such a crime. It may be set down as a solemn fact—that if England had silver mines of her own she never would have demonetized silver.

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### Coin Certificates.

The Government should not issue gold and silver certificates, as it does now, upon the deposit of gold and silver coin or bullion, but simply *coin certificates*, reserving the right to pay the same in either gold or silver or in both, at its own option, thus placing the Treasury of the United States in a position to comply with the law of Congress passed July 14, 1870, under which the Government issued bonds payable in coin—coin at that date being both gold and silver in unlimited legal tenders. Blot out all distinction between the precious metals, by thus issuing *coin certificates*, and power will at once be taken from the New York Clearing House party, and their co-conspirators to embarrass the Treasury of the United States, as they succeeded in doing a few months since. *Coin certificates* for either gold or silver are the most perfect money possible. The title to the property is vested in their owner, they are easily transported, while the precious metal pledge for their redemption is lodge securely in the Treasury vaults, subject to no risk or loss even from abrasion. These certificates, moreover, would be redeemed in

coin, even should the Government, ever from any cause, be compelled to suspend specie payments on its greenback notes, or the national banks upon their paper issues. The greenback and national bank notes are issued *promising to pay dollars.* The coin certificates would be issued *only upon the deposit of dollars.* Therefore, do I repeat the statement that *coin certificates are the most perfect money possible.*

The present gold and silver certificates in circulation represent coin on deposit. Therefore are they better than either greenbacks or national bank notes. The Government holds $100,000,000 in gold and has in its vaults about 80,000,000 of silver dollars for the redemption of $346,000,000 of greenbacks, so that before the legal tender greenbacks have the same security behind them that the gold and silver certificates have, the government will be required to double the present amount of gold and silver in its Treasury. Why, then, are the gold conspirators so much concerned about the few millions that are there? It is because they wish the amount so reduced as to enable them to dictate terms to an impoverished Treasury. Therefore have we the more need of free coinage, that our mints may provide the coins from the metal as fast as it comes from the mines, to make our Treasury the stronghold of the nation.

Every man who advocates money enough in the circulating medium of the United States, to give the nation peace and prosperity, is called an inflationist, and that in the eyes of the money sharks is the worst of crimes. When a nation issues money *ad libitum,* without specie or the means to redeem such paper issues; it is true there is always danger of a collapse: but when bills or certificates are issued upon the deposit of coin, dollar for dollar, as the bi-metallists propose, there never can be a collapse, though the nation should issue thousands of millions of dollars in such paper. We never can have too much gold and silver in circulation, or their representatives, coin certificates. The history of the world but proves one great fact, and that is, that race hostilities grow with commercial and industrial depression, and that social and political disorders are the inevitable fruits of a scarcity of money. If, therefore, we would see pauperism, socialism, communism, and all the diabolisms vanish from among our peo-

ple, make money plentiful, increase the price of labor, enable every man, woman and child to earn their bread at living rates, and throw around the people such safeguards against poverty, as the immense resources of this nation permits. Throw wide open the treasure vaults of the Rocky Mountains, which God has filled with gold and silver, and let the stream of prosperity come in as a perpetual blessing upon the people of the United States.

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The Rocky Mountain Mining Review thus speaks of

## THE GOSPEL OF BI-METALLISM.

"The agitation of the silver question in this country, and the rapid development of public opinion in favor of bi-metallism and free coinage, has awakened the reading, thinking people of Germany and England to the importance of reinstating the double standard. There as here, it was abolished, if not without the knowledge, certainly without the consent of the people. Inquiry into the causes of their commercial depression strikes this problem at every turn. Try as they may to avoid it, the spectre confronts them at every stage, pointing to the greed and folly of mono-metallists as the chief instrument of their woes. In England there has been determined and destructive rioting, by vast hordes of starving men, for whom there is no employment. While the mob may not comprehend the root of the evils which brought them to this condition, earnest students of finance everywhere are beginning to understand where it lies. The golden calf has been worshipped until it has become a merciless tyrant over the public mind. In the United States the people who rule have torn it down. When England and Germany rise to the same plane of action, their condition will begin to improve. It is best to have a change of rulers now and then. Gold will be dethroned in the revolution now going on, and the double standard will take its place. Bi-metallism through free coinage, like the gospel of liberty, equality and fraternity, is destined to spread from America throughout the world."

The production of our silver mines at the present time is about $48,000,000 a year. Under the workings of the Bland Bill $24,000,000 are coined into silver dollars; $9,000,000 go into the arts, and England gets $15,000,000, at 80c. on the dollar—her own price—and this she sends to India and exchanges at 100c. on the dollar for wheat and for whatever other products she requires from that kingdom of her own. Here is a clear profit of 20c. on every dollar taken from the silver producers of America and put into the pockets of the English bankers and merchants. We are not surprised that English greed should do this, but that American citizens should join in this conspiracy is most amazing. But not only is the American *silver miner thus wronged and robbed—but the American farmer suffers as well*; for under the low price for silver, which England has thus forced for some years past, the production of wheat in India has been enormously stimulated; so that, while the export of wheat from India to England in 1877–78 amounted to only 4,150,000 bushels; in 1884–85 it had risen to 30,000,000 bushels, or more than one-third of the export of wheat from the United States during the same year. Thus is the American farmer robbed of his market; or in other words he suffers a loss on every bushel of his wheat. Under this state of affairs *two important factors in the prosperity of this nation are seriously injured, namely, the mining and the agricultural interests.* But the evil does not stop here; it is extended *ad infinitum.* Had we kept our $15,000,000 of silver bullion from going to England we should thereby have cut off the large importation of wheat from India, and there would have been a demand for 30,000,000 of bushels more wheat from America. We would have had the treasure and they would have had the grain. How, then, shall we keep our silver from going to Europe at a less value than its par in gold? *Simply by free and unlimited coinage.* Silver should have the same chance at the mint as gold. Under the Bland Bill it is boycotted. The government buys the silver bullion in the open market at the price fixed by England, and after the $24,000,000 have been secured, the silver producers are obliged to accept for their surplus just what England chooses to give. Let the people of the United States, in Congress assem-

bled, pass a *Free Coinage law*, and give to silver its rightful inheritance, which it has possessed down through the ages, and the equilibrium between gold and silver will quickly be restored. Every pound of silver bullion, as fast as it came from the smelters, would be sent directly to the mints of the United States and coined into legal tender silver dollars. Not another pound would go to England until she paid for it on a par with gold. Let America's supply of silver be cut off from the English market, and the price of silver in London would advance with a rapidity sufficient to restore the equilibrium between the two metals within a single year. If the Congress of the United States shall have the common sense and courage to adopt this single measure in regard to the coinage of silver, Austria and Germany will quickly again fall into line, and England's rule of ruin will be over.

In the book of Daniel we find the following record: "Nebuchadnezzar, the King, made an image of gold, and set it up in the plain of Dura, in the province of Babylon; and the King commanded his princes, and governors, and captains, and judges, and treasurers, and counsellors, and sheriffs, and all the rulers of his provinces, to come to the dedication of the image which Nebuchadnezzar, the King, had set up; and they stood before the image that Nebuchadnezzar had set up. Then an herald cried aloud: O! people, nations and languages—That at what time ye hear the sound of the cornet, flute, harp, sackbut, psaltery, dulcimer, and all kinds of music, ye fall down and worship the golden image that Nebuchadnezzar, the King, hath set up, and whoso falleth not down and worshippeth, shall the same hour be cast into the midst of a burning, fiery furnace. While the word was in the King's mouth, there fell a voice from heaven saying: 'O! King Nebuchadnezzar, to thee it is spoken —Thy Kingdom is departed from thee.'" Thus have England and Germany called upon the nations to bow down and worship the golden image which they have set up; but even while they are yet speaking their power and glory are departing from them.

Gold has been particularly favored in the United States, and has had a forced valuation given to it here in order to corres-

pond as nearly as possible to its forced valuation in both Germany and England. The Government might reduce the weight of the gold dollar, and make it equal to the silver dollar in its bullion value, as it, upon a former occasion, *increased its bullion value;* but the silver dollar has never been tampered with in that respect; ***and therefore, it contains to-day, the exact number of grains of pure silver that it contained when first coined in 1793; and this dollar is our unit.***

Gold has not a fixed intrinsic value any more than silver; both are more or less elastic; but *the record of the ages shows silver to be the more steady standard, while it requires both to satisfy mankind.* The people who complain of *hard times,* and yet turn to England for financial wisdom, know but little of the facts of history. The degredation of the people that followed the demonetization of silver in 1816 in England, at the close of the Napoleonic wars, and which continues to the present day, is a disgrace to modern civilization; and yet Germany, as late as 1871, brought ruin upon her people by the same insane policy.

MacLeod, an able English writer, of that period, says:

"The French Revolutionary and Napoleonic wars were ended in 1815, and from thence forward to the year 1819, the *'Currency Question' was the overshadowing topic of English discussion.* Peel's bill was enacted into a law. But it must not be supposed that there was no opposition to the policy of this enactment, for there was, and of a very powerful kind too. The petitioners said, that in their opinion the measure would result in a ***forced, precipitate and highly injurious contraction of the currency, which would add greatly to increase the pressure of the taxes, to lower the value of all land and commercial property, seriously to affect and embarrass both public and private credit, to embarrass and reduce all the operations of agriculture, manufactures and commerce, and to throw out of employment a great proportion of the industrious and laboring classes of the community."***

On the demonetization of silver, and the resumption of specie payments in England in 1816, Sir Archibald Alison in his history of Europe, says:

"The effects of this extraordinary piece of legislation were soon apparent. ***The industry of the nation was speedily congealed, as a flowing stream is by the severity of an Arctic winter.*** The alarm became as universal and widespread as confidence and activity had re-

cently been. The country bankers, who had advanced largely on the stocks of goods imported, refused to continue their support to their customers, and they were forced to bring their stocks into market. *Prices in consequence fell rapidly;* that of cotton, in particular, sank in three months to half its former level. The country bankers' circulation was contracted by no less than five millions sterling ($25,000,000), and the entire circulation of England fell from $232,545,000, in 1818, to $174,-385,000, in 1820, and the succeeding year it sank as low as $142,757,000.

The effects of this sudden and prodigious contraction of the currency were soon apparent, and they rendered the next three years a period of ceaseless distress and suffering in the British Islands. The accommodation granted by the bankers diminished so much, in consequence of the obligation laid upon them to pay specie, which was not to be got, that the paper under discount at the Bank of England, which in 1810 had been $115,000,000, and in 1815 not less than $103,300,000, sank in 1820 to $23,360,000, and in 1821 to $13,610,000. *The effect upon prices was not less immediate or appalling. They declined in general within six months to half their former amount,* and remained at that low level for the next three years. Distress was universal in the latter months of 1819, and that distrust and discouragement were felt in all branches of industry, which are at once the forerunner and the cause of disaster. In all the great stations of the cotton manufacture, at Manchester, Glasgow and Paisley, *the rate of wages has fallen on an average more than one-half,* and in most other trades in the same proportion."

*Mr. Barring said.*—"In looking at this question—that is the facts growing out of the contraction of the currency—it is material to show what is the state of the country, in this, the sixth year of peace. Petitions are coming in from all quarters, remonstrating against the state of suffering in which so many classes are involved, *and more than all, the agricultural classes.* When such is the state of the country, in the sixth year of peace, *when all the idle stories about over-production and under consumption, and such-like trash,* have been swept away, it is natural to inquire into the state of a

country placed in a situation without a parallel, in any other nation or time."

In applying this lesson to the finances of the United States, we can see how great a blunder was made by our ministers of finance in contracting the volume of our currency. McCullouch, Boutwell, Fessenden and Sherman were the advocates, and active manipulators of this theory, and thus our circulating medium shrank in volume, until Congress stepped in and stopped the contraction of the legal tender notes, fixing their limit at $346,000,000, where they remain until the present day. But the national bank note circulation is continually contracting —as bonds are called and payed off—so that it becomes a prime necessity to fill their place with coin, or coin certificates, in order not to have a continual contraction of the currency going on. Therefore is there a demand from this source, alone, for all the silver our mines are producing. But this is not all; our rapid increase of population, and growth of trade, are continually making demands for an increase in the quantity of the circulating medium; and this increase must be supplied, if we are to prosper; nay, if we are even to keep from stagnation in business, and from poverty and distress among the laboring classes. What better circulating medium then can we have than silver and gold, and coin certificates based upon these. Therefore is it plain as the noon day sun, that to stop the coinage of silver is simply to contract the circulating medium at the rate of two millions of dollars per month. In the present state of our business affairs how long could we stand that without disaster to trade, commerce, and our manufacturing business? Every man who has common sense knows, that we could not contract our circulating medium, without serious injury to all the business interests of the nation—and therefore do the people demand, not only a continuance of the coinage of silver, but that our mints shall be thrown open to the free and unlimited coinage of silver, as well as gold; and that the amount coined each year should be largely increased.

The present law of Congress permits our Secretary of the Treasury, in case the Treasury should become depleted in gold; to sell bonds and replenish the Treasury. Under this arrange-

ment, says Mr. Baird, when Mr. Boutwell undertook to withdraw $21,000,000 of gold from England, they gave him notice; "hands off or we will break up your contract." When England was obliged to pay us $15,500,000 under the Geneva award, they took about six months to transfer it in securities; because the minister of finance in England was told; "if you undertake to transfer $15,500,000 in gold to the United States at one time, you will bring on a commercial crisis." From this it is evident ***that the best place from which to supply the United States Treasury; is from the gold and silver mines of the United States.***

## GOLD AND SILVER, MINING.

### THOMAS CORNISH, A DISTINGUISHED MINING ENGINEER, OF LONDON, ENGLAND, IN HIS PAMPHLET ON GOLD MINING, SAYS:

"There is, probably, no subject, at the present time, more worthy of attention and consideration, or that more directly affects the general welfare of the world, than does the question of gold mining.

Gold is real wealth, and the standard by which all other wealth is measured. Its production is the creating of a new wealth; not only so far as its intrinsic value is concerned, but it is wealth, that, when produced, is the germ or means of producing additional wealth. It is different in its results from that of other productions; as it is not eaten, drank, worn out or destroyed; its influence and its motion is perpetual.

Gold is the life-blood of all trade and commerce; of manufactures, arts, sciences, and learning; its possession is the chief aim and consideration of all countries and civilized people; it is the standard stock, or working capital of the world. It is magical, as well as real, in its influence. The producer, or possessor, of any given quantity of gold, can utilize it more readily, and to better advantage, than can the possessor of any other kind of property of a relatively computed value.

Gold and Silver, being the precious metals, adopted for coinage; or, as a medium for regulating the value of other commodities, become the axis on which revolves the trade, commerce

and general business; as well as the pleasures and necessities of every day life; therefore, it is of the utmost importance to all, that their production, results, and requirements should be made subjects for consideration and discussion, more than has hitherto been done.

Before the gold-mining era, the supply of gold for coinage was not in proportion to the requirements of trade, which had been so rapidly extending; therefore, the gold discoveries seem to have been a most fortunate, if not a providential circumstance, to relieve the general depression then existing, by opening up new countries for settlement, and avenues of wealth for the benefit of a large portion of the civilized race. It is, I am aware, a generally accepted belief, that the production of gold is of no more value, or importance to the State, or general good of the community, than the production of any other article of commercial value; such as food, drink, clothing; etc. I hold a different opinion, and contend that the production of any given quantity of gold is of more direct, immediate and permanent benefit than that of any other specified article of supposed equal value. The production of every ounce of gold is the means of putting four additional sovereigns into circulation, which are at once available for their possessors to utilize.

Gold mining, or the production of gold and silver, is not only the means of creating a previously unknown wealth or purchasing power, but the nature of its operations is such, that it affords more means of employment, uses up more material and appliances than any other labor, thereby opening new channels of industry that would not otherwise be called into existence, and disseminates its influence over a wider range, and amongst a greater number of people, than can possibly be done by the production of any other article of use, trade or commerce.

There is a great deal said about losses in mining; but the chief losses are in gambling, speculation, or in misdirected labor. The operations of one successful mining company will create a greater demand for labor and disseminate more wealth through the community than a whole country of squatters. Gold and Silver Mining I consider one of most honorable, legitimate and honest occupations that man can follow."

By the following table we see how rapidly wealth in America has accumulated, and that to-day we are the richest nation on the face of the earth:

THE TRUE VALUATION OF PROPERTY IN THE UNITED STATES AT THE FOLLOWING PERIODS.

[From Scribner's Statistical Atlas.]

| YEAR. | VALUATION. |
|---|---|
| 1790 | $ 1,300,000,000 |
| 1800 | 1,742,000,000 |
| 1810 | 2,382,000,000 |
| 1820 | 3,734,000,000 |
| 1830 | 4,328,000,000 |
| 1840 | 6,124,000,000 |
| 1850 | 7,135,780,228 |
| 1860 | 16,150,615,068 |
| 1870 | 30,068,518,507 |
| 1880 | 43,642,000,000 |

Accepting as correct Mr. Mulhall's figures regarding the wealth of other countries, the United States is in absolute amount the wealthiest nation on the globe. The following are Mr. Mulhall's estimates.

*Time*—1880.

| NATIONS. | VALUATION. |
|---|---|
| United States | $43,642,000,000 |
| Great Britain | 43,456,000,000 |
| France | 35,972,000,000 |
| Germany | 29,464,000,000 |
| Russia | 17,169,000,000 |
| Austria | 14,792,000,000 |
| Italy | 902,000,000 |
| Spain | 666,000,000 |
| Holland | 548,000,000 |
| Belgium | 456,000,000 |
| Turkey | 369,000,000 |
| Sweden and Norway | 359,000,000 |
| Canada | 308,000,000 |
| Australia | 238,000,000 |
| Denmark | 170,000,000 |
| Portugal | 132,000,000 |

"The advance of the United States to the present leadership

has been made in a single century, from the time when peace with England enabled the new nation to turn its energies to industrial development. It is a mere truism to say that history shows no record of growth in material prosperity at all approaching this; our very familiarity with its results makes it difficult for us fully to comprehend its extraordinary character." Therefore America is rich enough and strong enough to take care of herself. She has been a tool in the hands of England long enough, and it is high time that she both assert and maintain her rights. It is time that the precious metal mines of this country should be fostered and protected by the Government. No nation on the face of the earth possesses such treasure vaults, and from them shall yet come to an appreciative people greater wealth than ever yet blessed a nation. The attempt to divorce gold and silver, after their union through the ages, is not only silly and puerile, but it is wicked. The stock of the precious metals in the world to-day is not equal to the demand. Gold and silver are the life blood of Commerce, and Commerce is already the greatest sovereign on earth, with rapidly increasing power. From this it must be evident that the amount of the precious metals must be largely increased to meet the increasing demands of the world, and therefore over-production need not be feared.

The following portion of a table taken from page 483 of the Report of the Director of the Mint for the calendar year 1884 shows the production of gold and silver in the United States from 1878, the year the Bland bill passed, to the year 1884:

| Years. | Gold. | Silver. | Total. |
|---|---|---|---|
| 1878 | $51,200,000 | $45,200,000 | $96,400,000 |
| 1879 | 38,900,000 | 40.800,000 | 79,700,000 |
| 1880 | 36,000,000 | 39,200,000 | 75,200,000 |
| 1881 | 34,700,000 | 43,000,000 | 77,700,000 |
| 1882 | 32,500,000 | 46,800,000 | 79,300,000 |
| 1883 | 30,000,000 | 46,200,000 | 76,200,000 |
| 1884 | 30,800,000 | 48,800,000 | 79,600,000 |

By this table we find that the amount of silver produced in the United States, per capita, per year, is only 80c., and that the production of gold only equals 50c. per capita. What insignificant sums, to be sure, provided every dollar of the bullion

could be coined and put into circulation. But unless silver and gold mining are immensely stimulated, how are we even to keep up this small production per capita? The increase in population, in the United States, is at the rate of 2½ millions per year. In the year 1900, therefore, we shall have 100,000,000 of people. Now, in order to produce 80c. per capita in silver, in the year 1900, we shall have to produce $80,000,000, or double our present production. By the year 1936, or only 50 years hence, the population of the United States will be 200,000,000, requiring a yearlysilver and gold production of $260,000,000, *or more than the mines of the whole world can produce to-day*, in order to give to the people of the United States the pittance per capita, in silver and gold, that we now have; therefore, it becomes plain, that the gold ring in England, Germany and America are attempting to assassinate the grandest industry on earth; that which gives support and value to every other industry—the mining of gold and silver. They are endeavoring to bind the fetters of poverty upon unborn generations; and every man, therefore, in the United States, who has a spark of manhood in his breast, is called upon to fight not only for his own interests, but those of his children's children, against this great conspiracy to destroy the value of the silver in our country.

What folly, then, in the face of such facts, to talk of the demonetization of silver. What wickedness to sacrifice the precious metal mining interests, the agricultural interests, the business interests of this country upon the altar of the golden calf, around which England dances.

*It is a burning shame in the eyes of all the world, that the United States, the greatest producer of Silver, will not protect her own precious metal product. It is a case without a parallel in the history of nations down through all the ages.*

Whatever else we are, let us never cease to be true Americans. Let "*Treason*" be stamped upon the forehead of any man who would betray the interests of his country to another nation.

In the Report of the Silver Commission are to be found these words: "The silver dollar has the sanction of the solid and practical sense of General Washington, added to that of the

learning, genius and philosophy of Mr. Jefferson. It is as much a tradition of the United States as their national military air, or their national flag, and is a policy as well as a tradition."

To stop the coinage of the silver dollar means contraction. It will depress all business, and set back the hands of progress. The battle for silver, the people's coin, must be fought in this country; and probably during this winter, in the halls of Congress. The enemies of silver are thoroughly organized. They have political influence, and the power of the press has been, in a great measure, secured; but the people are being aroused to the danger of the situation, and there are many able men in Congress who will fight the demonetization of silver, or the stoppage of its coinage, to the bitter death.

In Europe the people have nothing to do with the money question. There, the governing classes dictate, and the world of late years has been the witness of the distress and ruin that the attempt to adopt a gold standard by both Germany and Austria, has enforced upon their laboring classes. The greatest foe of bi-metallism is ignorance; and it is upon this ignorance that the gold conspirators rely for their support. They talk wildly of 80c. dollars, when they know there are no such things in existence; but that every standard silver dollar, bearing the impress of the United States mint, is a full legal tender for all debts, public and private; and that none of these dollars can be obtained for one farthing less than it will require to buy a gold dollar. As an instance of this, a prominent banker of Wall street, a few days ago, in the Chamber of Commerce, New York, when this silver question was under discussion, after listening for some time to their twaddle about the 80c. dollar, silenced his adversaries by saying: "Gentlemen, I will give you 99c. on the dollar for 2,000,000 of these 80c. dollars as you call them." It is needless to say, there were none for sale. This silver dollar has been kicked and cuffed, and lied about and abused in every possible way, and still it goes on, faithfully performing its mission of mercy, on behalf of the laboring classes, adding prosperity to the nation. Whatever the English may call it worth in gold, it is still worth 100 cents, and they cannot get it for

less. A logical writer on this subject makes the following statement: "One of the irrefutable and indisputable principles of geometry is, that two things that are equal to the same things are equal to each other. The gold dollar is equal to 100 cents in the purchase of bread, meat, clothes and the payment of debts and taxes. The silver dollar is equal to 100 cents in the purchase of bread, meat, clothes and the payment of debts and taxes. The gold dollar and the silver dollar are precisely equal to the same things in the purchase of bread, meat, clothes and the payment of debts and taxes. Two things that are equal to the same things are equal to each other. Therefore, the silver dollar is equal to the gold dollar for all purposes that a gold dollar has any use whatever."

## SILVER DOLLARS.

Of these standard silver dollars there have been coined since

| | |
|---|---|
| 1878 to Jan. 1, 1886 | $218,231,431 |
| In U. S. Treasury Jan. 1 | 165,568,018 |
| Against which there were sllver certificates outstanding for | 92,702,642 |

Showing that they were all in circulation by certificates or otherwise except $72,965,376.

Now why were not these 73,000,000 of silver dollars in circulation? Simply because the President of the U. S., and his Secretary of the Treasury, did not wish them to be. They have been aiding and abetting the gold party in Wall street; and so have refused to pay them out, when they are sadly needed in the circulating medium of the country. The expenditures of the Government during the last fiscal year were $305,830,970.54. Now the number of silver dollars coined during the same period was only $28,528,552, which would not more than pay the expenses of the Government for thirty days—so that the 73,000,000 silver dollars in the Treasury Jan. 1 could all have been paid out in the regular expenses of the Government in ninety days. *So that, if every silver dollar, the Government has coined under the Bland Bill since* 1878, *was in the Treasury today; they could every one be paid out, in the expenditures of the Government, within one year*. It is not necessary to pay out the coin itself, but coin

certificates, which represent these dollars, and which the people will take just as quickly as they would Legal Tender notes. Hence, what an absurd and stupid lie it is, to say that the silver dollars will not circulate. If there is a dishonest dollar in the United States, it is the gold dollar; and if there is a dishonest party, it is the gold party.

Instead of there being a plethora of silver, it is difficult to get it. In the city of Cleveland, where the banks have capital and deposits, amounting to $25,000,000, *there cannot be found ten thousand silver dollars among them all.* When visiting the mint at New Orleans last winter, I was informed that two millions of silver dollars were being sent from the mint there, each month, into the labor districts of the South.

France has $1,443,000,000 in gold and silver coin and bullion, while England has only $678,500,000, Austria $120,000,000 and Germany $536,000,000.

Therefore do we see that France, rich with silver and gold, is the most prosperous nation in Europe. She has more gold and silver than England, Germany and Austria combined, and is a bi-metallic nation, surrounded by mono-metallic nations. If the assertion was true that a nation so situated could not keep gold and silver both in circulation, how is it that France does keep both, and is so prosperous? Why do not England, Germany and Austria take away from France all the gold she possesses? Simply because a nation that is not in debt to other nations cannot be impoverished by them. Therefore the clackers of England, who have made so much noise about all the gold leaving the United States for that conceited little island, have but made fools of themselves, as the facts are all against them. The American Republic is now strong enough to have the balance of trade continually in her favor. Yet these hirelings of England tell us that we are terribly afflicted with silver, and that if we do not stop coining it we shall have a panic—a financial crash and general chaos.

The Bank of England is steadily losing gold, and it is going to France. The recent shipments from this country are not owing to payments in any balances of trade, but are made by a

syndicate of bankers, for the sole purpose of influencing, if possible, the legislation in regard to silver.

The fact that since July, 1885, the sum of $50,000,000 of money, that was lying idle in the New York banks, has been drawn out for use in the various branches of business, may be taken as good evidence of a revival of business. Yet, it was continually asserted, that this money was lying idle because the coinage of silver at the rate of two millions of dollars per month made it dangerous to invest money in any business. The mints have been kept steadily at work since the month of July, and twelve millions more of the standard dollars have been added to the wealth of the nation. The truth is the *scheme* did not work—the gold monopolists could not scare the people and business moves forward, but not with the energy it would have done, had the Secretary of the Treasury done his duty, and paid out the silver dollars that are now in the Treasury vaults.

When will the simple lesson ever be learned, that money in circulation sufficient for the demands of business, has in every age and nation been productive of prosperity, and that the absence of sound money, in sufficient quantity, has been the chief cause of every collapse, bringing ruin and desolation to the people of the earth.

The Bankers' Magazine for March says: "The agitation in England in favor of using silver as money to some considerable extent, has, within a few weeks, assumed serious proportions, doubtless in consequence of the dangerous condition of the laboring classes, induced by the long depression in business, and manifested by the recent mobs and riots in London, Birmingham and other Brisish cities and towns. The London Chamber of Commerce has called for a conference on the silver question, and important meetings in favor of silver have been held in Manchester. The London Times of February 19 prints a paper from Earl Grey, proposing the issue of £1 notes, to eke out gold, and the issue of certificates of silver at its gold value, to be a legal tender for all debts, public and private, up to a limit of £500, or $2,500. There are strong British prejudices to be overcome before either of these measures will be adopted, but the agitation for them seems likely to be vigorous."

# THE SILVER DOLLARS

## COINED SINCE 1878 HAVE BEEN THE FINANCIAL SALVATION OF THE UNITED STATES.

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*The* 224,000,000 *of silver dollars that have been coined and put in circulation since* 1878, *are all that is now saving the nation from a general financial crash.* We are tided over the breakers simply by silver. Does any one doubt it? Let him answer the question then: What would be the condition of business to-day, if the circulating medium were suddenly contracted, by the loss or destruction of $224,000,000? The labor strikes we now have, are as a summer zephyr to a cyclone, to the condition of things that would then rule. *Silver is indeed a blessing*, and the inconsiderate business men of this country, who would strike it down, know not what they would do; but the conspirators know well what they are about.

Mr. Burchard, former Director of the Mint, made a very exhaustive research into the consumption of gold and silver in the arts; and in his annual report for 1881 says:

"From a review of the information published in this and preceding reports, and other authorities; I estimate, including the annual consumption in the United States of $11,000,000 of gold and $6,000,000 of Silver, the annual consumption of the world in ornamentation, manufactures and the arts is at least $75,000,000 of gold and $35,000,000 of silver." Here it is evident that the demand for gold is so great that the entire production of the world at present, is being consumed in ornamentation and the arts.

Mr. Rothacker of Colorado says:

"There is no heresy more dangerous and pernicious than that which demands an increase of the amount of bullion in the standard silver dollar. It involves an entire rejection of the fitness of silver for money, and deals with it strictly as bullion.

"For centuries silver and gold moved side by side, as money. What appreciable difference there was between them was in favor of silver. It was held at an advance on gold. Our silver dollar of to-day is measured by the value of gold, as established

by an act of Parliament. Since 1873 there has been a change in this relation. Gradually the metals have grown apart until gold is now quoted at twenty per cent. higher than it was in 1873 in its relation not to silver alone, but to all staple products and commodities. This advance has not been caused by any change in the conditions of trade. It has been the result of the demonetization of silver and the conspiracy to discredit it in the money markets of the world, for the benefit of the creditor classes.

"It is the belief of bi-metalism that the apparent depreciation of silver in its relation to gold is fictitious and due to malign influences. It holds that the settled ratio of centuries is evidence of this too strong to be overthrown by the extraordinary experience of the past decade. It is its firm position that, if these malign influences are neutralized by proper legislation, the old ratio of the metals will at once be resumed. To add to the amount of bullion in the standard dollar, the amount to be measured by an appreciated gold dollar, will be to concede all that bi-metalism denies. It will crown the conspiracy of depreciation with success."

To which I may add, that the effort of the gold party in this country is as dishonest as it is selfish. Besides it is a direct blow at the Latin Union, for if the ratio in the United States can be raised from 1 to 20, how can the Latin Union maintain the ratio of 1 to 15½? It would effectually break up the relations existing between gold and silver, not only in Europe, but throughout the civilized world. It would disturb all the relations of trade, and sacrifice upon the altar of "goblin gold" the present progress of all the middle and lower classes.

F. J. Scott, Esq., of Toledo, Ohio, in his able pamphlet on Silver and Gold, has collected the following testimony, which I here reproduce:

"All respectable authorities agree as to the relative effects of an increasing and decreasing money. Several of them are presented; the earliest in point of time being from *David Hume's Essay on Money:*

" 'It is certain that since the discovery of the mines in Amer-

ica, industry has increased in all the nations of Europe. * * * We find in every Kingdom into which money begins to flow in greater abundance than formerly, everything takes a new face; labor and industry gain new life; the merchant becomes more enterprising, the manufacturer more diligent and skillfull, and even the farmer follows his plow with greater alacrity and attention. * * * It is of no manner of consequence with regard to the domestic happiness of a State whether money be in a greater or less quantity. The good policy of the Magistrate consists only in keeping it, if possible, still increasing; *because by that means he keeps alive a spirit of industry in the nation, and increases the stock of labor, in which consists all real power and riches. A nation whose money decreases is actually at that time weaker and more miserable than another nation which possesses no more money, but is on the increasing hand.*'

"*Alexander Hamilton* in his report (1791) on the mint, says;

" 'To annul either of the metals as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full with the evils of a scanty circulation.'

"*Thomas Jefferson*, in a letter to Mr. Hamilton, (February, 1792,) says:

" 'I concur with you *that the mint must stand on both metals.*'

"*Wm. H. Crawford*, Secretary of the Treasury, in a report (February 20, 1820,) to Congress, says:

" 'All intelligent writers on currency agree, that when it is decreasing in amount, poverty and misery must prevail.'

"*Leon Fauchet*, (1843,) in Researches upon Gold and Silver, says:

" 'If all the nations of Europe adopted the system of Great Britain, the price of gold would be raised beyond measure, and we should see produced in Europe a result lamentable enough.'

"Before a French monetary convention, in 1869, testimony was given by M. Woloski, by baron Rothschild, and by M. Rouland, governor of the Bank of France.

"*M. Woloski* said: 'The sum total of the precious metals is reckoned at fifty milliards, one-half gold and one-half silver.

If, by a stroke of the pen, they suppress one of these metals in the monetary service, they double the demand for the other metal, to the ruin of all debtors.'

"*M. Rouland* said: 'We have not to do with ideal theories. The two monies have co-existed since the origin of human society. They co-exist because the two together are necessary, by their quantity, to meet the needs of circulation. This necessity of the two metals, has it ceased to exist? Is it established that the quantity of actual and prospective gold is such that all can now renounce the use of silver without disaster?'

"*Baron Rothschild* said: 'The simultaneous employment of the two precious metals is satisfactory and gives rise to no complaint. Whether gold or silver dominates for the time being, it is always true that the two metals concur together in forming the monetary circulation of the world, and it is the general mass of the two metals combined which serves as the measure of the value of things. The suppression of silver would amount to a veritable destruction of values without any compensation.'"

To which I may add:

Daniel Webster said: "Gold and silver, at the rates fixed by Congress, constitute the legal standard of value in this country, and neither Congress nor any State has authority to establish any other standard, or to displace this."

Even England, who affects to despise it so much, is obliged to keep $95,000,000 of silver in circulation; and she has coined more silver at her mints in British India, since 1878, than we have coined in the United States. Silver is the people's money. It is the coin of the laboring man. To demonetize silver, would be to vastly increase the purchasing power of gold.

As an illustration of this, we will suppose a city built upon an island of the sea; we will suppose there was land enough on this island, outside of the city, to provide all the wheat and corn the people of that city required to sustain them in peace and plenty. We will suppose that a set of bumptious fellows in that city should undertake to govern it; and should decree that the people should eat nothing but wheat. The result is easily

foretold. Wheat would advance rapidly in price, corn would fall; the rich could live, the poor would starve, and general misery would be the result. Or, if the reverse were true, and these fellows should legislate corn as king, then would wheat fall, and the same misery result. But, suppose they had the good sense simply to use both, then would the value of wheat and corn be equal, neither would rise above the other, and no man would starve, for there would be a sufficient food supply for all; the city would prosper in peace, and the agricultural interests surrounding the city would prosper.

So is it with this nation in her use of silver and gold. We are, as it were, on an island of the sea, with great cities to support in trade and commerce. We have enough gold and silver and can produce enough to keep us a prosperous and happy people, and by their joint use labor will be so renumerated that no man need to starve for bread. But legislate either metal out of existence as money, and a crisis will be produced; Misery and Want will show their gaunt faces, and Famine and Murder will go stalking through the land.

We are daily becoming more cosmopolitan. The circuit of the earth can now be made in 80 days, and when certain railways, now building, are completed through Persia, India and China, the earth can be circumvented in 60 days. The world is therefore daily growing smaller, the people of the earth are being brought into closer communion; hermit nations no longer exist; our trade and commerce with the nations of the Orient is daily on the increase, and therefore, if for no other reason, would it be detrimental to the interests of the United States to either limit or destroy its silver coinage.

Under a free coinage law, every dollar of gold and silver bullion, as fast as it was produced, would be sent to the mints for coinage into coins of standard weight and fineness, and thence it would circulate through all the channels of business. Trade and commerce, agriculture, manufactures and mining would thereby be stimulated. Tens of thousands of men now in enforced idleness, would be profitably employed, business would revive, as by magic, and our nation would go forward in its

glorious destiny, energized by capital, controlled by common sense. No student of history need be told how empires have been wrecked for the want of common sense among their rulers. Washington was not a genius, but he was gifted with that divine gift of common sense, and if his spirit, brooding over the capital of this nation, shall impart to our statesmen in Congress assembled but a tithe of that which he displayed in founding this grandest of republics, then will the affairs of this nation be so administered as to utilize all of its resources, and in that supreme day of blessing, silver will be honored, not less than gold, as one of the grand factors in the upbuilding and permanent prosperity of these United States of America.

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In conclusion, I desire to present some extracts on

## THE SILVER QUESTION,

from the great speeches made upon this subject in Congress this winter, by some of our ablest statesmen. The facts and arguments presented in these speeches are simply unanswerable, and are therefore deserving of the most careful and candid consideration.

Hon. G. G. SYMES, of Colorado, in his able speech on the Silver Question, before the House of Representatives, January 20, 1886, says:

"By the provisions of the Bland silver bill the Government purchases silver bullion, coins the silver dollars, and stores them in the Treasury vaults. No person can take silver to the Treasury and obtain silver coin for it. No person can obtain silver dollars from the Government in any way whatever except in payment of a debt due him from the United States. Then how could this so-called demand of the people for silver arise or exist at the Treasury. If any individual has a gold bar he can go to the United States mints and obtain gold coin for it; but if he has a silver bar there is no way to obtain coin for it. If the United States buys his silver bar and coins it the silver dollars are stored up in the vaults.

The Secretary of the Treasury has said, and proclaimed in different ways, that he has been making every effort to put the

silver dollars in circulation. The President has announced in the Secretary's behalf that he was so doing. Then why are not such amounts of these silver dollars paid out each month as will reduce the accumulation in the vaults? Do the poor pensioners object to receiving their $4,000,000 a month in silver dollars or certificates? Do the soldiers and sailors object to receiving their pay in silver dollars or certificates? Do the clerks in the Departments, the laborers on public buildings, or any of those classes object? Not at all.

Then for what reason is this false outcry made, that the people do not want and will not accept the silver dollars in the Treasury, and that the Secretary can not put them out or keep them in circulation?

The President states in his message that 'every month two millions of gold in the public Treasury are paid out for two millions or more of silver dollars, to be added to the idle mass already accumulated.' The President probably has information from the Treasury officials that his Secretary has been and is continuing to pay out $2,000,000 of gold per month for silver bullion, coining the bullion into silver dollars, and piling them up and keeping them idle in the Treasury. We must presume that such is the fact; although it is a plain violation of the statutes of the United States regarding the purchase and coinage of silver bullion, and the disbursing of public moneys for the ordinary expenditures of the Government. What excuse has the Secretary for not paying for this silver bullion in silver dollars? Do the silver miners who produce this bullion object to taking silver coin or certificates in payment for it? Certainly the Secretary has no excuse, in this case, for saying that the credit of the Government will be affected by paying for this bullion in silver. The bondholders may object to taking silver; but the silver producers do not. If the Secretary should advertise for bids for silver bullion to be paid for in silver dollars or certificates, a large number of the great silver producers of the country would sell the bullion as cheaply as if it were advertised to be paid for in gold.

These misrepresentations are made for the purpose of deceiv-

ing the people. They are made in pursuance of a great conspiracy formed by the bondholders, capitalists, and mono-metalists of the money centers to demonetize one-half of the metal money of the world, thereby to greatly appreciate the value of all fixed incomes and credits and depreciate all productive property and labor. It is a matter of most serious public concern that the highest executive officers of the Government are aiding this conspiracy by violating the plain letter and spirit of the statute law of the country.

It seems that the doctrine of nullification has been revived again. It has assumed a different form and has been practically carried out for a different purpose, but it is nevertheless as much nullification as the doctrine advocated by Calhoun and Hayne and refuted by Webster in the United States Senate in the years 1831 to 1833. That was a nullification of the laws for the collection of the revenue in the form of duties upon imports. The refutation of that nullification doctrine by Webster in the Senate and by Jackson, as President, has made them immortal as defenders of the Constitution and enforcers of the law. The violation of these statutes brought forth Jackson's celebrated proclamation against nullifying the statutes.

Mr. Chairman, the Treasury officials and the gold mono-metalists, in their zeal, are not content with making war upon the silver dollars—calling them cart-wheel dollars and dishonest dollars, and insisting they will not circulate—but they attack the silver certificates, which are as convenient and acceptable a currency to the people as ever existed in the country. On page 24 of the Treasurer's report he says:

'The further issue of silver certificates should be discontinued as both useless and expensive. Issued to aid in the circulation of the standard silver dollar, these certificates have actually proved to be a hindrance to the carrying out of this purpose; and the circulation of this coin can not be increased to any greater extent than at present without the suppression of the issue of the certificates.'

One would suppose from this strain of invective against silver certificates by this subordinate officer of the Treasury Depart-

ment that it was the object of those who passed the Bland bill to keep as many silver dollars as possible in circulation in coin and as few silver certificates in circulation as possible, and that it was their intention not to encourage the issue of silver certificates. The Treasurer certainly knows this was not the intention of the authors of the Bland bill. He knows it was expected that the coined silver dollars would circulate mostly in the certificate form. He knows that very little gold circulates except in the certificate form. The statement of the percentage of the different kinds of money received for customs at New York, page 69 of his report, shows that only seven-tenths of 1 per cent. was received in gold coin for duties on imports at New York from July to October, 1885, and that 52.6 per cent. of all the gold received was in gold certificates. This shows that practically all the gold circulates in certificate form. During the same time one-fourth of 1 per cent. was received in silver coin and 14.55 per cent. in silver certificates. So most of the silver circulates in certificate form, as it was intended by the authors of the Bland bill.

The day has passed in the commercial world when silver and gold coin form the circulating medium among the people, strictly speaking. Silver and gold now form the standard and legal measure of value and circulate in the form of paper money which represents them. It is a misrepresentation of intention of the bi-metalists, and those who favor silver coinage, to say they desire to force the people to carry around silver dollars in any quantity whatever. It is their desire to retain silver as one of the money metals; but they desire that it shall be used as a standard of value with gold, and circulate mostly in the certificate form, the same as gold.

I desire to correct another misrepresentation of the position of those who are opposed to the suspension of silver coinage. The Eastern papers and the gold bugs have been representing that those who favor silver coinage are in favor of silver monometalism. I claim to know the opinions of the advocates of silver coinage throughout the Southern, Western, and Rocky Mountain country. I know they are unequivocally opposed to

a single silver standard and to any financial policy that would lead to it.

We are the greatest silver producing nation. We are a great debtor nation. All our great industrial and material interests demand bi-metalism for our prosperity. The nations having a single gold standard are creditor nations. Their great material interests are already developed. They are seeking an outlet for their accumulated capital. They seek to control the nations of the commercial world with this accumulated capital. They seek to invest large quantities of money in the United States and to derive large fixed incomes and revenues therefrom, which come from our labor and productive property. The interests of the moneyed classes in these countries demand that one-half the metal money of the world should be demonetized so as to greatly appreciate the value of the other half and depreciate the value of all productive property and labor, and add to the burdens of the debtor.

The whole silver product of the United States from 1870, when demonetization was first recommended, to 1876, was from sixteen to thirty-eight million dollars per annum. During the same period the gold product of the United States was from fifty to thirty-three million dollars per annum.

The increase in the production of silver in this country has not supplied the decrease in the production of gold. From this table it will be seen that the total product of gold and silver in the United States fell from $96,400,000 in 1878 to $79,600,000 in 1884—a decrease of $16,800,000. The silver product of the United States increased during this period from 1878 to 1884 only $3,600,000, and during the same time the gold product fell off $20,400,000.

Still those who urge the suspension of silver coinage continually represent that the increase in the production of silver in this country is so great that it has been the cause of the depreciation in the value of silver, and for that reason silver should be demonetized. They do not deny the falling off in the production of gold; they do not deny the great increase in the use of gold in the arts. But they do not inform us what is to sup-

ply the place of silver as money. But with that blind zeal and prejudice which is characteristic of the money-loaners, the bondholders, and the creditor classes in all ages, they seek to demonetize one-half of the money metal of the world, with the object in view of appreciating the value of the other half. The production of silver outside of the United States has been falling off for the past twenty years. The production outside of North and South America is unimportant. The best estimates place the annual production of the world outside of America at $10,000,000.

The production of Mexico and the countries in South America have been growing less. These countries from 1852 to 1868 produced about $30,000,000 per annum. From 1868 to 1875 the production was about $25,000,000 per annum, falling off of about $5,000,000 per annum, and it has been decreasing since 1875 with no probability of an increase. In 1877 and 1878 the yield of the Comstock mines decreased rapidly, and has been decreasing ever since, until it is now inconsiderable. The celebrated carbonate deposits of Leadville have partially taken the place of the Comstock lode, and, fortunately, have kept up the silver product of our country. The great exaggeration regarding the actual and probable output of the silver mines had a great effect in depreciating the price of silver; and they were all made in aid of the same combination and conspiracy to demonetize silver.

During the twenty years from 1860 to 1880 the value of property in the United States increased 214 per cent., at the rate of 10.7 per cent. per annum. The foreign commerce of this country from 1860 to 1880 amounted to 40 per cent. more than all the commerce of the United States from the Revolution to 1860. The internal commerce of this country has passed all precedent, and almost conjecture. It is estimated to be twenty times greater in amount than our foreign commerce. When we contemplate that this commerce is aided by the operation of over 100,000 miles of railroad, more than exist in all other parts of the world, and nearly all constructed during the last forty years; that it is aided by internal navigation upon thousands of miles

of the greatest lakes and rivers in the world; that it is enlarged by the production of the greatest crops of cereals in the Western and Southern States the world ever saw, to be exchanged for the immense quantities of manufactured articles produced in the Middle and Eastern States, figures and statistics are set at naught and the mind staggered in its efforts to comprehend its immensity.

To carry on this great commerce and trade we imperatively need, as one of the mediums of exchange and measures of value, the coinage of all the silver dollars our mines can produce. The amount of silver coined into money from 1875 to 1883 ranged from one hundred to one hundred and sixty-one millions per annum. This coinage among the larger States was as follows: The United States, twenty-seven millions; Mexico, twenty-five millions; India, twenty-nine millions; Spain, ten millions, and the balance among other countries. The best estimates show that during the past ten years a great deal more silver has been coined in the world than all the mines have produced.

The Director of the Mint made an investigation in the United States and foreign countries for three years to form a correct estimate of the amount of silver consumed in the world for other uses than coinage. He estimated that not less than thirty-five millions per annum is used in the arts and manufactures, and for chemical and medicinal preparations. Dr. Soetbeer, of Germany, made a detailed estimate and concluded that over twenty millions per annum was used in this way.

The principal supply of silver in the future for the East, including India and China, and for Russia, Austria, Egypt, and the other countries where they have the single standard of silver, and produce none; and for the double standard countries of Holland, France, Italy, and others where they also produce no silver, must come from the mines of America.

The report of the Director of the Mint shows over twenty-nine millions of silver coined, nineteen millions exports, and over five millions used in the arts and manufactures in the United States in the year 1884, making a total of $53,000,000. The production of all the mines in the country amounted to forty-

eight millions, showing a consumption and exportation of $5,000,000,000 more silver than the mines produced. Then where is this great and dangerous accumulation of silver that we hear so much about?

Dr. Soetbeer and the Director of the Mint have made careful estimates of the amount of gold used in ornamentation and in the arts and manufactures. The estimates show that over $10,000,000 worth of gold per annum is used in the United States in the arts and manufactures. The same authority states that the large addition to the metallic circulation witnessed in the last thirty years appears to have been required by the increased wealth and the greater commercial enterprise and industry, and seems to have been absorbed without materially affecting general prices. These statements were made in 1879 or 1880. That prices have fallen very much since that time is conceded. It has been estimated that there has been about as much gold used during the past few years for ornamentation and in the arts and manufactures as all the mines in the world produce. Those who advocate the suspension of silver coinage do not attempt to deny these facts; nor do they attempt to point out what is to take the place of silver as a circulating medium when it is demonetized.

Mr. Chairman, the mono-metalists do not attempt to answer the objections made by the silver men to a single gold standard or to a suspension of silver coinage. They do not attempt to show that gold has not risen in value in comparison with all other commodities or that silver has not fallen. Few of them admit that they are mono-metalists. Most of them say they are bi-metalists; but still they contend that gold and silver can not circulate together, and that silver coinage should be suspended. They do not deny that the demonetization of silver has greatly appreciated the price and value of gold and depreciated the price of silver compared with gold alone and the price of all other commodities. They do not deny that the production of gold is falling off very rapidly and that the demand for current uses has increased and is increasing both for coinage and for use in the arts and manufactures; they do not attempt to point out

what is to take the place of silver if it is demonetized or the coinage suspended.

They do not propose any legislation or any remedies for the stagnation of industry and the falling off in the prices of all productive property and labor that will result from suspending silver coinage, and still they advocate suspension. They are continually finding fault with and delivering *philippics* against compulsory coinage of the silver dollar; but they refuse to grant the people free coinage and to put silver, where it ought to be, on an equality with gold. They do not attempt to argue or show that a double, or even an alternative, standard is not more stable and better for the country, in every way, than a single gold standard; but still they resort to every means in their power, even to the violation of the plainest laws on the statute-books, to depreciate and boycott silver and, in effect, bring about a single gold standard."

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The following extract from the Hon. HENRY M. TELLER'S great Silver Speech int he Senate of the United States, January 19, 1886, will be found to contain many important facts in relation to the value of silver as money:

"If silver is adapted by nature to supply the wants of the human race as money, why is it that such an effort is being made to destroy its monetary value? It is to destroy one-half of the money of the world to enhance the value of the other half. The advocates of the single standard declare that gold is immovable in its price; that the destruction of silver as a money metal can not increase the price of gold. John Locke declared 'that if you increase or lessen the quantity of money current in traffic the alteration in values is in the money,' a proposition that only need be stated to compel a recognition of its truth. When you have destroyed the money faculty of silver and left the business of the world to be carried on with gold alone, you have increased the purchasing power of gold, and it is immaterial whether you say the thing purchased has fallen or gold has risen. Property values become less and those who have money

on deposit, the holders of bonds and mortgages and Government securities, are directly benefitted, for the principal and interest of such, and all other debts, remain to be paid with but one-half of the money that was in existence at the time such debts were contracted.

One reason given by the friends of the single standard in the monetary conference of 1881 against the remonetization of silver by the entire commercial world was, that it would enhance the price of all commodities. If its complete remonetization will raise prices, is it not certain that the demonetization will lower the prices?

In 1871 Germany demonetized silver, when the market price was about 60 pence, and the American silver dollar was worth about 103 cents. The commercial ratio between silver and gold was very nearly 15.50, the legal ratio; or, to be exact, 15.58. The demonetization of silver by Germany was not on account of the low price of silver, and not because of any objection to the ratio of 15.50 to 1, because that ratio had been too high for the market from 1853 to 1861, when the market and legal ratio were exactly together, the ratio again dropped below fifteen and a half until 1867, when it went to 15.57.

The demonetization of silver in Germany by law in 1871, and in fact in 1873, did not materially lessen the price of silver, and the silver market was not seriously disturbed until 1874, when silver was quoted at 58 5-16 pence per ounce, and the American dollar of 412½ grains, if in existence, would have been worth a little less than 99 cents, measured by a gold dollar. The Latin Union, alarmed at the warfare made on silver by Germany and other countries, also took steps to degrade silver from its money function by refusing it free mintage at the mints of the Union, and providing for only a limited amount of coinage. Just how it was supposed this denial of the money function of silver would sustain it in the market must ever remain a mystery to thinking men.

Germany was offering to the world from $350,000,000 to $400,000,000 of silver no longer desired for home use as money. Every nation that used silver saw herself the depository of Ger-

many's silver, and feared that their gold would flow to Germany in exchange for such silver; and strange as it may seem, the wise financiers at the head of our Government, notwithstanding we had neither gold nor silver in any considerable quantities, feared the loss of what little gold we had and that we should be overwhelmed with German silver and the Government hastened to declare that silver was not money in the United States, except in small sums. Thus Germany, the United States, the Scandinavian countries, and the Netherlands were engaged in destroying the money function of silver and endeavoring to make it a mere commodity. With the loss of the money faculty of silver its real value was gone, and had all the nations of the earth followed the example of the nations before named silver would have been about as valuable as copper, for shorn of its money faculty, it is of less value to mankind than either copper or brass.

But it is said that it is not just and honest that the silver dollar of 412½ grains shall be received as of the same value as a gold dollar of 25 8-10 grains when silver bullion of the weight of the silver dollar will not buy gold bullion of the weight of the gold dollar, and the silver dollar of 412½ grains is called a clipped dollar, dishonest dollar, and a cheat. If gold was denied access to the principal mints of the world and threatened with destruction as a money metal, 25 8-10 grains would not buy 412½ of silver, and for forty years a gold dollar would not buy a silver dollar, and that, too, immediately preceding the demonetizing of silver in the United States.

The gold production sprung within a few years from about $15,000,000 a year to nearly $200,000,000. That might have looked like an overproduction. Silver from $50,000,000 to $100,000,000 is not alarming. For a hundred years the average annual production of silver has been about $50,000,000. When we consider the production of gold for a few years after the discovery of gold in California and Australia, and that it has now fallen to one-half the annual production of some years, is it to be supposed that a business world that could absorb that amount without a material disturbance in its financial condition

will be disturbed by an increase of silver from $50,000,000 to $100,000,000 a year? The demand for gold and silver both as money and in arts and manufactures will increase with the increase of population and civilization.

In 1878, when the proposition was before Congress to remonetize silver, all the evils that could befall a nation were predicted if the dollar of 412½ grains was made a legal-tender. We were told that we should become the depository of all the silver in the world, and that we should lose all our gold and be reduced to a silver standard; we were threatened with a loss of national credit,, with an inability to sell our bonds. Shame and disgrace was to be our portion if we dared pay individual and national debts with the silver dollar. It was declared to be a robbery to pay our bonds in the coin in which we had stipulated we might pay when the bonds were issued. Not only did this Chamber echo with the denunciations of those who believed the silver dollar was a legal tender for such bonds, but the pulpits thundered forth their denunciation of the friends of the double standard, who were declared to be as destitute of integrity as they were ignorant of finance. If the just vengeance of the gods was not invoked, it was threatened. What was our condition then as compared with our condition now? During the year 1877 the national notes were worth 94 cents on a dollar.

The total amount of gold and silver in the land could not have exceeded $200,000,000. Government bonds bore 4, 5 and 6 per cent. interest; business of all kinds at a standstill, or nearly so; the laborer in all parts of the land crying for an opportunity to earn his bread; the storehouses full of goods, but no purchaser, because the great mass of people were without means with which to buy. We were told that we had produced too much, and that we were suffering from over-production. It was said that the halcyon days of the American laborer had passed, and that with the increasing population we must expect lower wages and less luxurious living for the poor than they had been accustomed to have. With an abundant harvest and surplus for exports, the people complained of want and distress. Distrust and uncertainty in business was the rule, confidence the exception.

It was declared in a public speech by a former member of President Lincoln's Cabinet that there were 1,200,000 laborers seeking employment and unable to find it. The country was full of tramps.

With the remonetization of silver came prosperity. Confidence was restored, business revived, the laborer no longer vainly sought for the opportunity to earn his bread. The Government credit was not impaired, but advanced, and no one pointed the finger of shame at us as a nation proposing to escape the payment of its just obligations according to the letter and the spirit. The bondholder was satisfied with his interest, and the laborer with his wages. Yet the enemies of silver have not ceased to prophesy as to the evil results of the use of silver as money.

We need not be afraid to inflate with silver, whether it circulates as a dollar or whether it goes into Government vaults and is represented by the silver certificates. Nor need we be alarmed at the cry of a short dollar, a clipped dollar, or dishonest dollar. Of the $2,754,000,000 silver now in circulation in the various countries of the world, $2,500,000,000 of it circulates at the ratio of 15½ to 1. Our dollar is worth at least 3 per cent. more than any silver coined at the ratio of 15½ to 1.

If the commercial world ever consents to the fixing of a ratio between gold and silver that shall be general in its character, it must be on the basis of 15½ to 1. To put the ratio higher is to depreciate silver and appreciate gold.

What evidence is there that gold is being hoarded? Not a particle. It is a pretense of the enemies of silver to frighten the people into submitting to their demands to suspend the coinage of the silver dollar. What evidence is there that the coinage of silver has exerted an evil influence on the finances of the country? None whatever; nor is there reason to suppose that its continued coinage will.

The suspension of coinage and the repeal of the silver bill is in the interest only of the creditor class, a class insignificant in numbers, as compared with the debtor class.

It is that class that demands the suspension of silver coinage

and the degradation of silver. It is that they may add to the already great burden of the debtor class and enhance the value of their own holdings, whether that is represented by cash in their coffers or bonds and other securities held by them. They will abate nothing of the principal or interest, but with the destruction of one of the money metals they will still demand the payment of their obligations in the other metal, enhanced in value by the destruction of the other. It will not do to declare the real purpose and object of the proposed legislation nor the effect thereof, for the debtor class is much more numerous than the creditor class, for the men living on accumulated labor bear a small proportion to the men who labor day by day for their living.

We are told that we do not need as much metallic money as heretofore; that bank notes, greenbacks, checks and drafts will take the place of coin. A good bank note or greenback is but the representative of coin and a promise on the part of the maker to pay the holder coin. And what is a check or draft but an order by one man to another to deliver actual money to a third? The money may not be actually delivered, but it must exist, or the check or draft is of no value whatever. Greenbacks and bank notes will soon be at a discount if it is once understood that they do not represent actual existing coin, either in the vaults of the banks or that of the National Treasury. All the wealth of the Government was back of the greenback and no one doubted the ability of the Government to ultimately pay; but lacking the present ability so to pay, the greenback depreciated to 40 cents on the dollar

For convenience we may use checks, drafts, bills, notes and certificates of deposit, but the full measure of money called for in these instruments must be in existence, pledged to the payment of such paper instruments. If less than the full measure of it is forthcoming the paper is at a discount, and if wholly wanting the paper is worthless. The creditor class demand:

First. The suspension of silver coinage.

Secondly. That the greenback or national notes, amounting to $346,000,000, be paid in gold and withdrawn from circula-

tion. The suspension of silver coinage will be to all practical purposes, the destruction of the silver dollar, for the next move that the creditor class will make will be to destroy its legal tender qualities, as was done with the trade-dollar. Thus, with the suspension of the silver coinage and the discrediting of the dollar coined and the greenbacks retired, there will be a reduction of circulation of about $561,600,000, which is over one-third of the circulation in the United States, including gold, silver and paper; yet we are gravely told that this proposed currency reform is in the interest of the laboring men and producers. If the laborer and producer have found difficulty in finding labor and markets for products with the past circulation, what will be their condition with two thirds of the present amount?

It is said silver will not circulate, therefore we must stop coinage. The $31,000,000 of silver certificates now in the Treasury are there because the Treasury Department does not intend to circulate silver either in fact or by the aid of certificates. Why not put out the certificates in payment of the daily expenses of the Government? Why not pay with silver certificates the many thousand employes of the Government here and elsewhere? Not one would object to a silver certificate. If they are not good enough for the bondholder, the laborer does not despise them. The mail contractor, the army contractor, the soldier and government employes at the various offices in the country will gladly take a silver certificate. It will buy for them as much of the necessaries and luxuries of life as a gold dollar.

Discredited as the silver dollar is by the Government and the National banks, it is in high favor with the mass of the people. The farmer, the trader, the merchant, manufacturer and laborer all take it and find it capable of discharging the full function of a dollar."

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The following is an extract from the speech of HON. JNO. H. REAGAN, of Texas, on Silver Coinage, in the House of Representatives, January 12th, 1886:

"The controversy about silver coinage is a contest between the bondholders, bankers, money lenders, and those having fixed

incomes on the one side, and the laborers, middle classes, and debtors of the world on the other side.

Those who desire the demonetization of silver are fraudulently endeavoring to have this done in violation of existing law and contracts in order to further enrich themselves at the expense of other people, while the working people who have to earn the means to pay all public indebtedness, the middle classes who live upon their current earnings, and the debtor class generally, ask only that they be allowed to pay all debts, public and private, according to the law and the contracts under which they were created. It is, therefore, a contest between dishonesty and honesty, between fraud and fairness, between wrong and right. And the great question involved is, which of these shall be the rule by which the people of this great, free Republic are to be governed.

The rich moneyed men first conspired to degrade silver as compared with gold, and having accomplished this part of their wicked scheme for doing away with the silver coin and thereby reducing the values of property and labor, doubling the value of all evidences of debt, and doubling the amount of labor of the working men and women of the country which would be required to pay these debts—the same men then turn to the people and tell them they are injured by the use of silver coin, that the value of their labor is reduced by the fact that the standard silver dollar is not the equivalent of 100 cents in gold, and that to restore to them profitable wages and good prices they must join in the crusade against silver and help to strike it out of existence as a part of the world's metal money.

I know of no writer on political economy who does not maintain that a liberal amount of circulating money is essential to the prosperity of a country. I know of none who do not insist that an inadequate amount of circulating money checks enterprise and impoverishes the people. These two propositions may be accepted as axiomatic truths, questioned by no one but the selfish and greedy monometallists and their hired. or deluded advocates, who have the unblushing affrontery to tell the people they will be made better off by reducing the present volume of

our money, because then the smaller sum of money will be worth more than the larger, and that their smaller wages will buy more in the markets. These men, who by their selfishness and greed deceive themselves, are engaged in the unpatriotic, insincere and unjust effort to deceive the people into the belief that they will be benefitted by a policy which would double the labor they must perform, in order to pay off the many billions of dollars of national, State, municipal, corporate and private indebtedness of the country. It is the old trick of the demagogues—no longer to be successful with the intelligent peeple of this country—to try to lull them into a sense of security by professing devotion to their interest, in order the more certainly and securely to be enabled to rob and degrade them.

The action of Germany displays the animus, the motive of those who seek to do away with silver money. In 1857, on account of the very large amount of gold which had been taken in the few preceding years from the mines of California and Australia, gold had become more abundant and relatively cheaper than silver, and the bond-holders, money-lenders and bankers of Germany and Austria induced those governments to demonetize gold and to adopt the silver standard, because that was the scarcer and dearer metal. Afterward, when those mines ceased to yield so much gold, and when the mines of the United States began to yield silver in greater abundance than gold, making gold the scarcer and dearer money, Germany then demonetized silver, in 1871, and adopted the gold standard, each time seeking by a reduction of the volume of money to increase the value of their securities and the value of their money as compared with other property.

I speak of the effort to demonetize silver, because that is the real object of this movement. . The fear that this cannot be accomplished has caused them to declare now for a suspension of silver coinage. And this is no doubt what the President and the Secretary of the Treasury really desire. But the men who are controlling and giving life to this movement mean to do away with silver as money. And either the suspension of the coinage, or the increaseof the weight of the dollar, though not

at once meeting their wishes, would still further degrade silver and give them a better opportunity to secure its complete demonetization hereafter.

We should continue silver coinage and preserve our bimetallic standard, too, as one of the means of increasing our trade and of controlling a larger part of the commerce of the silver countries of Mexico and Central and South America. We should in this respect have an American policy and not be courting the privilege of making this country a mere appendage and help to British and German policy.

### ITS MAGNITUDE.

This is more than a national question. It involves the interests of all commercial nations, of all civilized peoples. This is so because gold and silver have through all the ages been recognized as the money of the world, the only international money. Many nations have had bank notes and other kinds of paper money current within the countries which authorized its issue, but not current in other countries, and therefore properly designated as local money, as contradistinguished from the world's money—gold and silver. These are recognized as the world's money not because all commodities are paid for in coin, not because all exchanges of commodities are made by the aid of gold and silver, but because these measure the value of all other money in transactions between different countries and nationalities. The value of all exchange between different countries is determined mainly by the amount of metal money available for commercial use, and the value of all local paper money is largely controlled by the amount of metal money.

We can better understand the magnitude of this question by keeping in view some important facts. The national debts of the world are alleged to amount to over $24,000,000,000, and they are steadily and rapidly increasing. The debts of the railroad companies are estimated to amount to about $6,000,000,000; the debts of states, municipalities, &c., to about $5,000,000,000—aggregating $35,000,000,000. The private indebtedness of the world would probably be the double of this sum. The amount of metal money in the world is estimated to be

about $7,000,000,000. The following table, furnished to me by Mr. Burchard, the Director of the Mint, on the 20th of June last, shows the estimated amount of gold and silver coin and bullion in the countries named. I have added the aggregates of these sums:

| Countries. | Gold coin and bullion. | Silver coin and bullion. | Total. |
|---|---|---|---|
| United States | $626,422,646 | $269,665,758 | $896,088,404 |
| Great Britain and Ireland | 583,500,000 | 95,000,000 | 678,500,000 |
| India | | 1,037,000,000 | 1,037,000,000 |
| France | 848,000,000 | 595,000,000 | 1,443,000,000 |
| Belgium | 64,000,000 | 60,000,000 | 124,000,000 |
| Switzerland | 17,000,000 | 15,000,000 | 32,000,000 |
| Italy | 140,000,000 | 72,000,000 | 212,000,000 |
| Greece | 2,700,000 | 2,700,000 | 5,400,000 |
| Spain | 130,000,000 | 70,000,000 | 200,000,000 |
| Portugal | 30,000,000 | 10,000,000 | 40,000,000 |
| Germany | 325,000,000 | 211,000,000 | 536,000,000 |
| Austria | 45,000,000 | 75,000,000 | 120,000,000 |
| Sweden | 15,000,000 | 5,000,000 | 20,000,000 |
| Denmark | 14,000,000 | 5,000,000 | 19,000,000 |
| Netherlands | 28,000,000 | 57,000,000 | 85,000,000 |
| Russia | 124,000,000 | | 124,000,000 |
| Turkey | 40,000,000 | 35,000,000 | 75,000,000 |
| Roumania | 163,000 | 11,000,000 | 11,163,000 |
| Total | 3,032,785,646 | 2,625,365,758 | 5,658,151,404 |

Notwithstanding the existence of these great facts, if we were obliged to believe the statements and arguments of the gold men of this country we should be driven to suppose silver to be an evil thing in our country and throughout the world, and that it is especially discredited in the commercial countries of Europe.

The Director of the Mint, in his annual report now before us, shows on the authority of our foreign ministers that in Great Britain and Ireland, with their $580,500,000 in gold, their $95,000,000 in silver, and their $199,160,115 of outstanding bank notes, all are taken in business transactions at par; that in France, with her $848,000,000 of gold, $595,000,000 of silver, and her $574,675,197 of outstanding notes of the Bank of France, the gold and silver and notes of the Bank of France are at par and a legal tender; that in Belgium, with her $64,000,000 of gold, $60,000,000 of silver, and $89,000,000 in national bank notes, they are at par with each other; that in Switzerland, with her 17,000,000 of gold, $15,000,000 of silver, and $24,-

960,304 of bank notes they are at par with each other; that in Spain, with her $130,000,000 in gold, $70,000,000 of silver, and $4,737,538 in notes of the Bank of Spain, "gold, silver, and the notes of the Bank of Spain are at par;" that in Germany, with her $325,000,000 of gold, $211,000,000 of silver, $33,602,327 in government notes, and $252,655,564 in bank notes, the coin and paper are received indiscriminately at par; that in Austria-Hungary, with her $45,000,000 of gold, $75,000,000 of silver, $139,211,632 in government notes, and $147,659,937 in bank notes, "the notes are received at par with silver. Gold is used for trade purposes, and only on special agreement." In Denmark, with her $14,000,000 of gold, her $5,000,000 of silver, $3,752,000 notes of her silver bank, and $19,564,000 outstanding national-bank notes, "the gold and silver coin, as well as the notes of the national bank, are taken at par." In the Netherlands, with her $28,000,000 of gold, $57,000,000 of silver, $3,885,860 in government notes, and $77,790,254 in bank notes, "coin and paper money have the same value in circulation."

The foregoing table and the facts just presented enable us to understand the injury to mankind which must result from the degradation or abandonment of silver as money.

The Secretary of the Treasury in his recent annual report states that about 54 per cent. of the world's metal money is silver, and that about 46 per cent. is gold. If these estimates are to be relied on (and they are certainly accurate enough for the illustration I have in view), then there is in the world $3,780-000,000 of silver money and $3,220,000,000 of gold money. Now, the values of commodities and of all bonds and other securities are regulated and controlled by the amount of this money of the world. If we subtract the silver from the amount of metal money in the world, we shall therefore have but $3,220,000,000 by which to measure all values and all debts. The result must be that all bonds and securities, national, state, municipal and corporate, will be about doubled in value as compared with the labor and property out of which they are to be paid, and all labor and property would be reduced about one-

half in value. And it should be constantly kept in mind that all these debts are to be paid and can only be paid by labor, by the toil of men and women.

We can not realize what the amount of the world's debts are by looking at the aggregates. The human mind can not embrace their full meaning. We must adopt some mode of looking at the details in order to understand what such figures mean. Take the $35,000,000,000 of indebtedness above mentioned and imagine one man set to count it dollar by dollar and that he could count $60 per minute, $3,600 per hour, $28,800 per day of eight hours, and three hundred and ten working days in the year, it would require three thousand five hundred and twenty-five years and a fraction for him to count that sum.

The creditors of these enormous sums seek to double the value of their investments by the demonetization of silver. It is a quality of greed and avarice to overreach themselves. If they could succeed in doubling the amount of labor and property necessary to pay these debts, they would render their full payment impossible in the present condition of the world.

Great Britain, France, Germany, Holland, Belgium, Denmark and Sweden are the great creditor nations. The United States, Austria, Hungary, Russia, Italy, Spain, Turkey, India, Egypt, Mexico, Brazil, and the other South American states and the British colonies are the great debtor nations of the world. Many of these nations, especially those of Europe and Asia, have vast standing armies and great navies, which it taxes all their resources to their utmost to keep up. Indeed, Spain, Italy, Austria-Hungary, Russia, Turkey and Egypt are only able to keep up their armies and navies by borrowing more money and incurring additional debts. And their people are oppressed and kept in that ignorance which springs from toil and poverty to feed and clothe these armies and in paying the interest on present debts, without the hope of being able to reduce the burden by paying off the principal. If these cormorants were as wise as they are avaricious they would see that the success of their policy in demonetizing silver would defeat the payment of these debts, and would in all human probability produce a degree of

oppression and distress in many of these countries which would cause civil commotions likely to shake many thrones and hurl ruling dynasties from power. And if they could succeed in this country, the distress which would necessarily follow would cause an indignant and outraged people to drive the men who brought it about from place and from power. While the people of the monarchies of the Old World may be compelled by vast standing armies to submit to roberry by the capitalists, the gold mono-metallists of this country would do well to remember that ours are still a free and intelligent people, who will not consent to become the slaves of avaricious, mercenary and corrupt men.

### WHO BENEFITTED AND WHO INJURED BY SUCH A POLICY.

The effect of the demonetization of silver would be to benefit a few rich men and to impoverish and degrade the vast mass of the laboring and middle classes of the people—to make a few more millionaires and a vast increase of the army of tramps and paupers. It would especially benefit the rich capitalists of Great Britain, Germany, Norway, Sweden, Denmark and Portugal, which are creditor nations and gold standard countries, and still further oppress the laboring poor of those countries. It would greatly injure the interests of the people generally of the United States, Columbia, Venezuela, Chili, Uruguay, Paraguay, Greece, Holland, Belgium, France, Switzerland, Italy, Spain and Japan, most of them debtor nations and all of them bi-metallic gold and silver standard countries, and of Russia, Austria, Egypt, British India, Mexico, Central America, Ecuador and Peru, most of them debtor nations and all silver standard countries.

It should be mentioned that the population of the countries which have the gold standard alone amounts to but about 93,-000,000. The population of the countries which have the bi-metallic gold and silver standard amounts to over 187,000,000, while the population of the countries which have the silver standard alone amounts to about 769,000,000.

The gold mono-metallists insult decency and defy common sense by insisting that laboring men and women are to be bene-

fitted by imposing on them the necessity of doing twice as much work as the law now requires them to do in order to pay off all public, municipal, corporate and private indebtedness.

### DIFFERENT CONDITIONS CALL FOR DIFFERENT POLICIES.

Why should we follow the example of Great Britain and Germany on the silver question? Both of those are great creditor nations; their people are holding large quantities of the interest-bearing securities of other countries—Great Britain to the extent of $3,250,000,000, and Germany to the extent of $2,000,000,000. The United States is a debtor nation to the extent of $1,843,713,715.80, as shown by the public debt statement for December, 1885. The public debt of the States, Territories, counties, townships, towns, cities, boroughs, villages and school districts of the United States was in 1880 $1,117,585,546, as shown by the United States census. The railroads of the United States in 1880 were indebted to the amount of $5,658,914,158. These three classes of indebtedness amounted in the aggregate, at that time, to $8,620,213,419,80, and the two last items have no doubt been considerably increased since 1880. This does not include the private indebtedness of the country, and I have not the means of stating what that is, but it is probably as great in the aggregate as the public indebtedness. Now, by following the example of Great Britain and Germany on the silver question we should aid them in about doubling the value of the $5,250,000,000 of securities they together hold on foreign countries, as compared with the labor and property out of which these securities are to be paid. And we should about double the amount of labor and property which would be required to pay the $8,620,213,419.80 of our public indebtedness as well as of all private indebtedness. A comparatively few bondholders, bankers and money-lenders in this country would be benefitted by such folly, while the vast mass of the people would be injured and impoverished by it."

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Extract from the speech of Hon. JOSEPH E. BROWN, of Georgia, delivered in the Senate of the United States January 14, 1886, on the Silver Question:

"A 6 per cent. United States bond during the war was worth say 40 cents on the dollar in gold or silver. Upon the passage of the act of 1869 they rose nearly to par. Upon the passage of the act of 1870, a 4 per cent. went to par, and since that, as the interest and principal falling due from year to year have been paid in gold only, while all the other creditors of the United States are required to take silver or greenbacks, the bonds have steadily advanced, until they are now worth 120 to 124 in the market, and still the cry is that the patriotic bondholders must be dealt liberally with, and that the taxes of the people must be increased to give them a better currency than other people receive, so as to keep up the credit of the United States.

I think it proper that we keep the credit up to a point that is reasonable. When a 3 per cent. bond is at par, I do not care to tax the people to put the credit any higher. If, with the surplus in the Treasury from year to year, we have to purchase the 4 per cents. to keep up the sinking fund, I do not desire that the people who sold them for 40 to 50 cents on the dollar pay 120 to 130 for them.

There is neither reason nor justice in the demand that we depreciate part of the currency of the United States, namely, greenbacks and silver, in order to make gold more valuable, and pay the bondholders a more exhorbitant price.

I think that every officer of the Treasury who has to pay out money on the public debt, or public expenditures of every character, should treat all creditors alike, and should pay to the bondholder for his interest or his maturing bond either gold or silver, as the one or the other may be most convenient for the Treasurer at the time; and bear in mind, Mr. President, if you pay out twenty, or thirty, or forty millions of dollars a year in silver to the public creditors, who are a very influential and powerful class, you make it their interest to aid in keeping up the price of silver, while if you pay them in gold alone, they will be always attempting to depreciate silver to make the gold received by them more valuable as the representative of more property. I say, treat every creditor alike. If you pay the bondholder in gold alone, pay gold to the officer, pay gold to the laborer, and

if there is really any difference in the purchasing power of the gold and silver dollar, there is greater reason why the bondholder in view of the original cost of the bond should take the silver dollar than there is why the laborer should take it and leave the gold dollar to the bondholder.

Take the whole period of the time since the passage of the act of 1878, and the result has been the very reverse of what was so often predicted by Treasury officials and bondholders.

From year to year, almost without exception, we have imported more gold than we have exported, and we have exported more silver than we have imported, and all the reasonable probabilities are that we shall continue to do so. And bear in mind that at the end of seven years we have twice as much gold as silver coin in our country. We have a country of unparalleled capacity, of immense proportions, with more virgin soil and more productive capability than any other country on the face of the globe. We have a population of nearly 60,000,000 of people, with more inventive genius, more energetic industry and enterprise than the people of any other nation. We produce by our factories a very large proportion of the manufactured articles necessary for our use. These advantages enable us to export more and import less of the necessaries and conveniences of life than any other people.

The result is a constant balance of trade in our favor, with a strong probability, with our increasing capacity for production and our increasing population and our constantly increasing independence of other nations, that this balance of trade in our favor will continue to grow instead of being diminished. Already within the last six or seven years it has amounted to over $500,000,000, which other nations have been obliged to pay to the United States as balance due on settlements; and as gold is the medium of exchange which is adopted in settlements between us and European nations, this pours a steady stream of gold into the United States, and while the production of silver from our mines the last year has been greater than the production of gold, still the quantity of gold coin in the United States almost doubles the quantity of silver coin, according to the ex-

tract which I have already read from the report of the Secretary of the Treasury. This shows that our country is being enriched by the importation of gold, and that we do not find it necessary to export gold to settle the balance of trade against us, as it does not exist to any extent with European nations. Why, then, should we fear a drain of gold and an influx of silver? All the probabilities are that there will be an increased influx of gold and export of silver.

We are told that we may carry two hundred and fifteen millions of silver dollars, which we have coined and which are now in this country, but that if we continue to coin silver we will soon be overrun by the quantity. The greater danger is, if we encourage the contraction of currency to a point below what is needed by the great business interests we will produce stringency, and even panic, throwing large classes out of employment and producing general depression and demoralization in the different pursuits of life.

Now, I have no hesitation in saying that if we had $200,000,000 more of silver coin thrown by its representative, the silver certificate, into circulation that the business of the country would be immensely improved.

If we stop the coinage of silver we contract the currency at least $28,000,000 per annum. That amount is annually coined into silver dollars and put into circulation. That amount will be withheld from circulation each year while we fail to coin the $28,000,000. In other words, out of the silver of the country $28,000,000 are made each year and thrown into circulation, which would not go into circulation if the coinage were suspended, and to that extent depression of business would follow.

It is said that the national banks are contracting their circulation on account of the redemption of the 3 per cent. bonds upon which they are banking, and that we may look for a contraction of from $20,000,000 to $30,000,000 per annum on that account.

If so, and we add to that $28,000,000 annually of silver coin withheld, we shall produce a state of stringency in this country that may be very beneficial to the large creditor class, but very detrimental to the debtor class. But can we manage additional

silver dollars in this country as currency with full legal-tender quality without detriment to our business?

We have fifteen to twenty millions more of population than either France or Germany. Our territory is several times as large as the territory of both these governments put together. We outstrip them in enterprise, industry and production. We need more local circulating medium than both of them together.

But there is another view of this subject in favor of silver to which I wish to refer in this connection. It is a well known fact that silver is the principal money or medium of exchange used in China, British India, Japan, and in fact all the other Eastern nations. More than two thirds of the people of the globe prefer it to gold and use it chiefly as their money. South America is a large producer of both gold and silver; so is Mexico. But there the silver dollar is still recognized and used as a circulating medium, as legal money, and there is no discrimination against it.

As we are fast becoming a vast manufacturing power, as well as a great agricultural power with a large surplus of the products of our different manufacturing establishments for exportation, we look chiefly to China and other Eastern nations and to South America as the markets where we can most successfully compete with England and France and other commercial powers, but especially with the former. There is a very large balance of trade against us in Brazil and the West Indies, principally for sugar and coffee: Both these countries use silver as legal money. In paying that large balance of trade in specie why should we send our gold out of the country if we prefer to keep it, when they would as readily accept silver? Why not send them silver in payment of these balances?

The same remark applies to the Hawaiian Islands, where our purchases of sugar turn the balance of trade against us. Why not maintain our silver standard and our silver coins and pay these balances in silver or gold, as it suits our convenience, and why not send our silver to China and other Eastern nations to exchange for their commodities, as there, too, the balance of

trade is against us? As the nations which owe us large balances must settle with us in gold and the nations to whom we owe balances are willing to take silver, and as that state of things is likely to continue for many years to come, the successive reports of the Treasury Department which come to congress annually, predicting great financial trouble by the draining of our gold out of the country and the filling its place with silver, no longer produce uneasiness, as they are found to have no practical significance.

If the national banks, by a system of hoarding gold or otherwise, attempt to practically demonetize silver and to force gold to a premium, by refusing to take legal tender silver dollars or silver certificates in settlement of balances, or in any settlements, and if the officers who represent the people in the different departments of Government at Washington will not take the matter in hand and enact and enforce the necessary laws, then the people at the recurring elections should take the matter in their own hands, and fill all the departments with men who will apply the proper corrective, by a forfeiture of the charters of such banks as are abusing their privileges, or by the enactment and faithful execution of such other constitutional and just laws as the exigencies of the case and the interest of the people may require."

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Extract from Hon. ROGER Q. MILLS' speech on the Free Coinage of Silver, in the House of Representatives, February 3, 1886:

"Mr. CHAIRMAN: In 1878 Congress passed a law authorizing the limited coinage of standard silver. Ever since that time there has been a constant demand for its repeal. Within the last twelve months, associations of national bankers, cotton exchanges and boards of trade have been very active and zealous in their efforts to create a public sentiment that would compel Congress to retrace its steps. They charge that the country is perilously near the edge of a great financial crisis; that if we continue to coin silver as we have been doing, gold will leave the country, and that we will be flooded with the cheap silver of

foreign countries. They charge that the dollar which we are coining under the act of February 28, 1878, is a dishonest dollar, and that every creditor is defrauded who is compelled to accept it. These are grave charges, and I propose to consider them in the order in which I have stated them.

Is it true that gold will leave the country if we continue to coin silver? It was Patrick Henry who said that he had but one lamp by which his feet were guided, and that was the lamp of experience.

I propose to test these propositions by the rays of light that are thrown from that lamp on our pathway.

It was predicted by all the friends of scarce money when we were passing this law that gold would begin at once to leave the country and that the cheap silver of foreign countries would begin to be unloaded on us. The law has been in force eight years; what has the lamp of experience revealed? The very first year after the law was passed we imported more gold than we exported. We have coined $218,000,000 of silver dollars, and gold has continued to come to us, and during the eight years we have imported largely more than we have exported. When this law was passed we had $218,000,000 of gold coin in the country; we have now about $600,000,000. Does that look like gold was leaving us? It is a curious fact that from the opening of the mines of California to the passage of the law of 1878 we were constantly exporting more gold than we were importing, and since that time we have been constantly importing more than we have been exporting. During the last eight years we have coined more gold than our mines produced. It was not the cheap silver but the cheap gold that has been dumped upon us. I do not wish any one to understand me as contending that the importation of gold was in any way caused by the limited coinage of silver. I assert nothing of the kind. Gold is directed in its movement by the same inflexible laws that direct the movement of cotton, wheat and corn. It always goes from the lowest to the highest market for itself, and from the highest to the lowest market for the commodity for which it is to be exchanged. We see that gold has been coming from foreign

countries, and we know that it came to buy wheat and cotton and provisions, because they were cheaper here than they were in Europe. The lamp of experience shows that gold found it profitable to come from Europe and buy our cheap agricultural products. We still have it, and will retain it until prices are lower in other countries, and then it will begin its movement from us until its withdrawal from our markets makes prices low again, and then it will stop its outward movement. Just in proportion as it leaves the country, and its volume grows smaller prices will decrease, and a level of prices between this and other countries will be reached, when its exodus will cease. So that there is no danger that gold will leave this country.

But for what will gold leave us? When we look over the whole field of our trade what article is it for which gold will go abroad? Will it go for silver? Why, silver is dearer in Europe than it is here. Every kind of silver is higher in Europe, higher in India, higher in every country on the earth than it is here, whether it is coined silver or manufactured silver or bullion silver. Then it can not go for silver. It can not go to Europe to buy something that is higher there than here and bring it here to be sold at a loss. What will it go for? Will it go for cotton? We ship about two hundred and fifty million dollars' worth of cotton every year. We produce a surplus of cotton, and it can be bought cheaper here than in Europe. Gold will not go abroad for cotton; it will not go abroad for wheat; it will not go for petroleum; it will not go for provisions.

Then for what will it go? It will certainly not go as a gift. Our gold-owners are not so philanthropic as to give away $600,000,000 in gold. If they send it away they must have something in exchange for it, and I want some of the alarmists to tell me what gold is going for. It can only go for such articles as are produced at a less cost in other countries than here, such as coffee, tea, sugar and manufactures. We import seven or eight hundred millions of such commodities, but does gold pay for them? It never has, and it never will. Why? Because we pay for them with commodities which they want, and which we produce cheaper than they do. They can not eat gold nor wear

it, and if they had all our gold they would send it to us for bread and meat, as they did in 1879 and 1880. We pay for all our imports with the commodities we export, and then have a surplus of a hundred or more millions, which we apply to our foreign debt. There is no evidence and none can be produced to show that gold will leave this country as a consequence of silver coinage, and the history of the last eight years demonstrates the truth of that proposition.

Now, the next question is, will we be flooded with the cheap silver of other countries? Are we to be buried in a sepulcher of this bright and beautiful metal? Suppose the silver of other countries were all sent to us. Would it be a curse instead of a blessing? If money is a curse, why is all the world struggling to get it? Now, I am going to demonstrate to you that this prediction is as groundless as the other. Silver is higher in Europe than it is here, and can only come here at a loss. Last year the annual average value of a gold dollar in silver bullion in New York was 451.9 grains of fine silver. That makes 1 ounce of fine gold equal in value to 19½ ounces of fine silver. There is in round numbers three billion dollars' worth of coined silver in the world. It is coined in different countries at different ratios. In France, Germany, Switzerland, Italy, Greece and Spain it is coined at 15½ ounces of silver equal to 1 ounce of gold. In England, 14.28 to 1; in Portugal, 14.9 to 1; in the Scandinavian states, 14.88 to 1; in Austria-Hungary, 15.3 to 1; in Russia and India, 15 to 1. All this silver is legal-tender and fully invested with debt-paying power. In some countries it is limited tender, in others full tender, but in all it is money, and the relative amount as fixed by the coinage laws of the several countries will buy as much, exchange as much, and pay as much as the equivalent in gold. In Germany and the Latin states 15½ ounces of silver will pay as much and buy as much as 1 ounce of gold. In Russia and India 15 ounces of silver will buy and pay as much as 1 ounce of gold, and so with all the rest. In each one of these countries silver is money, and has the monetary value conferred on it by law, but when it leaves the jurisdiction of the government that issues it and

invests it with monetary functions, it leaves its monetary value behind it and becomes a mere commodity. Does any one deny this?

The Secretary of the Treasury is required by law to fix the value of all foreign coins, and that value is determined in silver standard countries by the value in open market of the metal contained in the coin, and not according to the monetary value given to the coin by the law of the country that makes it. The florin of Austria is worth at home 48 cents in gold, but it is only worth here 37 cents. The rupee of India is worth 47 cents at home, but it is only worth 35 cents here. The yen in Japan is worth 99 cents; it is worth only 81 cents here. Within the jurisdiction of the country that coins it, silver has a value given it by law, but when it gets beyond the protection of that government it loses that value and takes only such value as is accorded to it in the open market of the world. France has a stock of silver worth in gold at home $553,000,000. If she should withdraw that silver and send it here for sale it would be worth $401,000,000; she would lose $152,000,000.

Belgium has a stock of silver worth $54,000,000 at home and $40,000,000 here. She would lose $14,000,000. Italy, Switzerland, Greece and Spain, coining at the same relative value, would lose $24,000,000. Austria would lose $18,000,000, and India would lose $285,000,000. Has any nation ever embarked in such an enterprise? And yet we are told that all these countries are going to withdraw all their silver and dump it on us, to the incalculable injury of our people, and at a loss to themselves of more than $550,000,000. They are so anxious to take advantage of our stupidity that they will withdraw all the silver from circulation where every 15½ ounces is worth 1 ounce of gold and bring it here and sell 19½ ounces for 1 of gold and lose 4 ounces of silver in every 1 of gold. India is the greatest of all the silver-owning countries. She is to withdraw her $1,300,000,000 and dump it down on us at 19½ ounces of silver for 1 of gold, when 15 ounces of silver at home will buy 1 ounce of gold; and she is going to do all this at a loss of $285,000,000. Now, is not that proposition perfectly absurd?

You must remember that of the great stock of silver in the world the great body of it is coin. The mints are the great consumers of silver and there is no place where we can get any large amount of silver unless we extract it from the circulation of other countries. Now I have proved, I think, conclusively that silver can not be withdrawn from other countries and brought here. What has been our experience in the last eight years? All the time we have been threatened with the silver deluge. When we began to coin silver in 1878 we had $65,000,000 of silver coins in the country. We have coined since then $218,000,000 of silver dollars, and $10,000,000 of fractional coins and ought to have now $293,000,000 of silver coins. The report of the Director of the Mint shows that we had in the country on the 1st day of January, 1886, $293,293,872.

We have just got what we have coined for our own use, and while we have coined only what we were permitted to do, and having a large surplus, the product of our mines, we have been constantly exporting more than we have imported. The lamp of experience has played sad havoc with the predictions of the prophets. Experience shows that gold is higher here and silver is higher in other countries. Twenty-three and twenty-two one-hundredths grains of gold will buy 451.09 grains of silver here; it will only buy 359.91 grains in Germany and the Latin States, 326.93 grains in Portugal, 345.51 grains in the Scandanavian states, 355.26 in Austria, 348.30 in Russia, and 331.58 in England. Our gold dollar, the equivalent in value of 451.09 grains of silver, is worth 100 cents here; it is worth 79 8-10 cents in Germany and the Latin States, 72½ cents in Portugal, 76½ cents in the Scandanavian states, 78 7-10 cents in Austria-Hungary, 77 2-10 cents in Russia, and 73½ cents in England.

Gold will purchase more silver here than in any of these countries, and silver wlll purchase more gold there than it will here; therefore gold will not go there to exchange for silver and silver will not come here to exchange for gold—451.09 grains of silver, which is worth $1.00 here, is worth by the laws of Germany, France, Belgium, Italy, Greece, Switzerland and the Netherlands

$1.25, in Russia $1.30, Scandinavian states $1.30, Portugal $1.38, Austria-Hungary $1.27 and England $1.36. It is evident from these figures, which I have from official sources, that we may repress our alarms about the exodus of gold and the silver-dumping business.

It may be contended that there is a large stock of silver not coined that may be dumped upon us. My reply is that it is in manufactures and more valuable than the coin; and if the coin can not be imported on account of its value neither can the manufactures of silver. Every day coined silver is melted down in this and other countries to be worked up in manufactures. That would not be done if the manufactures were not more valuable than the coin. When that is done the highest skilled labor is put upon it and its value is in proportion to the amount of that labor. A silver cup or pitcher or spoon or watch is worth five times as much as the metal contained in it. A silver cup worth ten, fifteen or twenty dollars, if melted down would not perhaps contain fine silver equal in weight to one dollar. Now, that silver is not going to come here to be coined. A blind man can see that.

Now what other silver is to come? There is some silver bullion. The last year's product is estimated at its coinage value at $115,000,000; $45,000,000 is estimated annually must go into the arts. That leaves $70,000,000 for the coinage of the world. India has taken on an average about $20,000,000 per annum for the last twenty years, and if none of the other countries took any we could coin $50,000,000 and keep it at par with gold. But every year there is some silver coined by other peoples. There was $90,000,000 coined in 1884, of which $28,000,000 was ours. But if all the mints in the world were closed but ours, we could coin the world's product and keep it at par with gold as long as the two metals are produced in proportions so nearly of the same value. The production of the two metals have kept near each other for centuries; they are still near each other. The last year's product of gold was $95,000,000, while silver was $115,000,000; but gold, in the circulation of the world, is yet $300,000,000 more than silver. Besides, the demand for

the consumption of both metals in the arts is annually increasing.

The annual consumption of gold in the arts is estimated at $75,000,000 and silver at $45,000,000. If silver is driven from circulation we have to depend upon the residue $20,000,000 of gold to keep the world's circulation abreast of the enormous annual production of the world's labor. If all of both metals were coined the supply would not be too great. There is no reason why silver should not be kept at par with gold here unless the production of one of the metals should materially decrease, and then they could be kept at par by changing the ratio. If silver and gold are at par now in their coinage value while gold exceeds silver in the circulation $300,000,000, why should they not be at par if silver exceed gold by that amount?

We can never be flooded with silver bullion from any country because it is cheaper here than elsewhere. Of the annual product of the world in 1884 of $115,000,000, the United States, Mexico, and Bolivia produced more than $100,000,000; and after consuming what they wanted for home purposes they exported the balance to hunt higher markets. Now, I ask, where is the cheap silver to come from that is threatening us with a financial crisis? It is not in the world.

Would you take the country again through that valley of the shadow of death? Would you repeat again that experience so full of lamentations and mournings and woes? If you would, listen to the soft, sweet notes of the siren as she sings from the vaults of the national bankers about dishonest dollars. Drive out into banishment the old silver dollar of our fathers; call in the silver certificates; retire all the Treasury notes; make money so scarce that the poor bankers in New York can buy a bushel of wheat for a dime, a pound of cotton for a penny; make it impossible for people to pay their debts; make labor so cheap that working people can only earn enough to pay interest to money-lenders and taxes to support the Government, and you will see again the return of that night with all its horrors intensified.

Sir, let the man who lives by the sweat of his brow, and his

representative here, be not deceived by the shams and false pretenses that are thrown around this measure that is filled to the brim with the direst of consequences to millions of people. Let the laborer remember, and write it on his wristlets, carve it on his frontlets, and wear it as an amulet over his heart, that scarce money is his sleepless and unforgiving foe, a foe whose bosom never swells with a sigh of sorrow, whose eye never moistens with a tear of pity. No one can deny that it increases the burden of debt which labor must pay. No one can deny that it makes the life struggle darker and harder.

One of the most distinguished advocates of the suppression of silver has but recently said if we stop coining silver that the act will be a drag upon production and that suffocation and strangulation are words not too strong to express the agonies of a people who are encircled in the coils of this golden serpent. And yet, with our eyes open and looking down into the abyss of human suffering that yawns before us, we are entreated and importuned to drag the country to the edge of the precipice and plunge it over into the tortures and agonies of contraction, to satiate the lust for gold. Sir, history has recorded on its pages every kind of scourge that has been sent upon mankind from the hand of his fellow, and it has carved the names of the guilty wretches on its pillory where they stand before the eyes of each recurring generation to suffer the execration due to the atrocity of their crimes. It tells of Nero vainly struggling to extinguish the truths of Christianity by lighting the streets of Rome with the burning bodies of her missionaries; of Tamerlane discussing philosophy with the sages of Aleppo while his savage soldiery were gathering the heads of his slaughtered foemen into monumental piles to please the eye of the royal invader; it tells of Philip II. sacking, burning and butchering the helpless inhabitants of the Netherlands, loyal to his kingdom and crown, because they elected to worship at the shrine where conscience bade them kneel; it tells of the obliteration of Poland, the partition of its territory, the banishment and confinement of its unhappy people in the caves of Siberia by the sceptered robbers of Russia, Prussia and Austria; it tells of the conquest and

long-continued oppression and robbery of Ireland by the kings, parliaments and people of England for five hundred years, and that in the face of the remonstrances of all Christendom still stretches her victim on the bed of torture.

But in all the wild, reckless and remorseless brutalities that have marked the footprints of resistless power there is some extenuating circumstance that mitigates the severity of the punishment due to the crime. Some have been the product of the fierce passions of war, some have come from the antipathy that separates alien races, some from the superstitions of opposing religions. But the crime that is now sought to be perpetrated on more than fifty millions of people comes neither from the camp of a conqueror, the hand of a foreigner, nor the altar of an idolator. But it comes from those in whose veins runs the blood of a common ancestry, who were born under the same skies, speak the same language, reared in the same institutions and nurtured in the principles of the same religious faith. It comes from the cold, phlegmatic, marble heart of avarice—avarice that seeks to paralyze labor, increase the burden of debt and fill the land with destitution and suffering to gratify the lust for gold [applause]—avarice surrounded by every comfort that wealth can command, and rich enough to satisfy every want save that which refuses to be satisfied without the suffocation and strangulation of all the labor in the land. With a forehead that refuses to be ashamed it demands of Congress an act that will paralyze all the forces of production, shut out labor from all employment, increase the burden of debts and taxation, and send desolation and suffering into all the homes of the poor. In this hour, fraught with peril to the whole country, I appeal to the unpurchased representatives of the American people to meet this bold and insolent demand like men. Let us stand in the breach and call the battle on, and never leave the field until the people's money shall be restored to the mints on equal terms with gold as it was years ago."

Extract from the great Silver Speech of the Hon. JAMES B. BECK, of Kentucky, delivered in the Senate of the United States December 24, 1885:

"The present gold and silver coin are both of the standard value prescribed by the law of July 14, 1870, and were then as now both full legal-tenders for all our obligations. All the bonds that mature in 1892 and 1907, amounting to about $1,000,000,-000, stand to-day unchanged, and payable as required by the act of 1870. The remnant of those payable now have been changed, the interest has been lowered, and the time extended, but the same provisions govern them, and the same conditions are written out as part of the contract in all of them. Let me read. Inscription on face of bonds of the 5 per cent. funded loan of 1881:

This bond is issued in accordance with the provisions of an act of Congress entitled 'An act to authorize the refunding of the national debt, approved July 14, 1870, amended by an act approved January 20, 1871,' and is redeemable at the pleasure of the United States after the first day of May, A. D. 1881, in coin of the standard value of the United States on said July 14, 1870, with interest in such coin from the day of the date hereof, at the rate of 5 per cent. per annum, payable quarterly on the 1st day of February, May, August and November, in each year. The principal and interest are exempt from the payment of all taxes and duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.

Extract from face of United States 4 per cent. bond:

This bond is issued in accordance with the provisions of an act of Congress entitled 'An act to authorize the refunding of the national debt,' approved July 14, 1870, amended by an act approved January 20, 1871, and is redeemable at the pleasure of the United States after the 1st day of July, A. D. 1907, in coin of the standard value of the United States on said July 14, 1870, with interest in such coin from the day of the date hereof at the rate of 4 per cent. per annum, payable quarterly on the 1st day of October, January, April and July in each year. The principal and interest are exempt from the payment of all taxes or duties of the United States as well as from taxation in any form by or under State, municipal, or local authority.

In the face of these facts it is simply absurd for anybody to assert that they are payable in gold alone, or that the tax-payers of the country are under any obligation, express or implied, either to demonetize or stop the coinage of the silver dollar, which is of the standard value required by the act of July 14, 1870, or to increase its weight thirty, forty, or any other number of grains, because England, to whom we have ignominiously surrendered the carrying trade of this country and the world, with her 200,000,000 of serfs in India and elsewhere, and Germany, after extorting $1,000,000,000 of gold from France, have combined in the interest of their money-changers to depreciate silver, or put up the market price of gold 20 per cent.

If the gold mines of California and Australia had continued to produce abundantly, and the Comstock lode and the Leadville mines had not produced silver, so that the market value of the two metals as bullion in London had been reversed, the argument could be made quite as plausible that the silver dollar was the constitutional unit of value in 1870, which the bondholders have a right to demand.

There is not an outstanding obligation of the United States, nor of any State, municipality, corporation, or individual which can not be legally and honorably discharged by the payment of the present standard silver dollar. What right has Congress to deprive the debtor of that right by adding more silver to the coin than he agreed to pay, or by stopping its coinage so that he can not obtain it? It is as palpable a violation of a contract to increase the obligation of the debtor as it is to impair or reduce the standard value of the coin which the creditor stipulated in his contract should be paid to him. When Congress has once coined money and regulated the value thereof, and contracts are based upon it, the right to pay according to its terms can not rightfully or justly be taken from the people, and Senators and Representatives who deprive them of that right will have unpleasant explanations to make to the men whose burdens are increased by their vote. It is simply an attempt to repeat the legislation of 1869, and the same pretenses are made now that were made then. An honest dollar for the laboring man was

then as now, held up as the patriotic object of those who repudiated the greenback, as higher wages to labor is claimed to be the prime object of all the patriotic combinations of monopolists and machine-owners. It is the wolf guarding the lamb, the spider the fly, and the hawk the sparrow.

I propose to test this question in the light of the facts furnished us by our Treasury Officials. We are, of course, as good judges of the value of the facts they furnish and as competent to draw correct conclusions from them as they are. The last report from the Treasury Bureau of Statistics, relative to our foreign commerce for the fiscal year of 1885, proves that there is no such condition either in our trade or exports of metals, whether of coin or bullion, as to render it necessary to strike down our silver coinage. It shows (page 1) that our total exports for 1885 were $726,682,946, and for 1884, $724,864,852, while our total imports for 1885 were $577,527,329, and for 1884, $667,697,-693.

It will thus be seen that while the value of our exports in 1885 exceeded those of 1884, our imports were more than $90,000,-000 less. The same report shows that for 1885 our exports of gold were $8,477,892, and for 1884, $41,081,957, or over $32,-000,000 less for the last fiscal year than for the year before. Our exports of silver for 1885 were $33,750,633, and for 1884, $26,051,426, or nearly $8,000,000 more last year than the year before, while our imports of gold last year exceeded those of the year before nearly $4,000,000. These facts falsify the clamor that gold is fleeing from our country, and proves that all the (pretended) evils of a single depreciated silver standard are myths.

Nor is it true that our silver coin has depreciated since July, 1870, when tested by any other standard than the market value of bullion in London.

The report above referred to (pages 5 and 6) gives the New York or export prices in currency of the commodities which constituted over 80 per cent of our exports, nearly all agricultural products, in 1870 and 1885; from which it will be

seen that the silver dollar, which it has become fashionable to malign and denounce in aristocratic circles, will now purchase from 25 to 50 per cent more of all that the toiling millions of this country labor to produce, and of all that men need money to obtain, than it would in July, 1870. To avoid all dispute as to these facts I quote the language of the report, as follows:

The following table shows the annual average export price in currency of the articles of domestic product named, and for the years indicated

| Articles. | Year ending June 30— | |
|---|---|---|
| | 1870. | 1885. |
| Indian corn ........................per bushel........... | $0 92.5 | $0 54.0 |
| Wheat.... ....................................do.............. | 1 28.9 | 86.2 |
| Wheat flour......................... per barrel........... | 6 11.2 | 4 89.7 |
| Cotton...............................per pound........... | 23.5 | 10.6 |
| Leather.......................................do.............. | 28.5 | 19.8 |
| Mineral oils, refined...............per gallon........... | 30.5 | 08.7 |
| Bacon, hams..........................per pound........... | 15.7 | 0.97 |
| Lard...........................................do.............. | 16.6 | 07.9 |
| Pork, salted.................................do.............. | 13.3 | 06.3 |
| Beef, salted..................................do.............. | 07.3 | 07.5 |
| Butter.........................................do......... | 29 3 | 16.8 |
| Cheese........................................do............. | 15.5 | 09.3 |
| Eggs.................................per dozen........... | 39.8 | 21.5 |
| Starch...............................per pound........... | 08.2 | 04.0 |
| Sugar, refined...............................do.............. | 12.6 | 06.4 |
| Tobacco, leaf ...............................do.............. | 11.3 | 09.9 |

In the face of these official facts and figures as to our trade, and exports and imports of gold and silver, and the comparative purchasing power of the silver dollar now and in 1870, I repeat: Why should it be stricken down, or its purchasing power further increased 20 per cent. by adding 40, 50, or any number of grains to its weight? In other words, why should every producer and debtor have to give 20 per cent. more of the products of his labor to obtain either a new silver dollar or gold coin with which to pay his debts than he does now, when he is already

paying his obligations according to the terms of his contract in a coin which will procure for its owner much more of all he needs than it would in 1870? It is only another phase of the constant struggle of the rich to grind the face of the poor, and the favored few to enrich themselves by class legislation.

While no one can deny that every obligation of the United States and every contract within our own borders can be discharged honorably with the present silver dollar, we are told that our foreign obligations and relations are such that gold will be at a premium very soon, and we will be on a basis of degraded silver at once, if we do not increase the weight or stop the coinage of silver; that all Europe is horrified at our stupidity or dishonesty, or both. Even England, whose gold is said to be used so freely to buy Senators and Representatives to vote for revenue tariffs against protection to monopolies called American industry, is held up now by the gold monometallists as an example worthy of all imitation; her financial policy is lauded as the perfection of human wisdom! Fortunately the official reports overthrow all the reckless assertions of the gold worshipers. The Register of the Treasury (see report for this year, page 4), shows that out of $1,071,460,262 registered bonds of the United States outstanding, only $11,927,900, or a little over one-tenth of 1 per cent is held abroad, and of those which can be paid before 1892, foreigners hold only $34,150, which is less than the interest on the money now lying idle in the Treasury for one day at 3 per cent per annum.

These facts coupled with the fact that our exports of goods exceeded our imports $130,000,000 this year, and our imports of gold exceeded our gold exports $18,213,804, an amount greatly exceeding all our bonds held abroad, settle the question. The falsity of the clamor about foreign complications or gold premium is made too apparent for any sensible man to be deceived by it.

The press is filled with articles day by day which seek to make people believe that all other nations have ceased to coin silver, and that we alone are stubbornly persisting in forcing it upon this country after it has been abandoned everywhere else.

I propose to disprove these allegations by officially stated facts. The Director of the Mint in his last report shows (pages 131, 132) that for the year 1884 the world's production of gold was $95,292,569; of silver, $115,147,878; and that $99,459,240 of gold was coined, while the coinage of silver last year amounted to $90,039,443, of which the United States coined $23,991,756 of gold, and $28,534,866 of silver. Other nations, therefore, coined in 1884, $61,504,577 of silver, showing that we are far from being alone in the coinage of that metal. England coined $3,204,824 of silver last year and $6,201,517 the year before, to add to her stock which has been accumulating for generations; while she has coined silver for India in the last three years to the value of $68,234,000.

The workers for wages in England to-day get their pay in silver coin, and the question is never mooted by them as to the comparative bullion value of the silver and gold coin of that country. Even Germany, notwithstanding she pretended to have demonetized silver twelve years ago, coined in 1882 $6,407,157 of it to add to her vast stock on hand; her laborers are paid in it now. No complaint is made anywhere, here or in Europe, about silver coin except by the holders of our bonds, who seek to increase largely the purchasing power of gold, or, which is the same thing, reduce the value of all our property from 25 to 50 per cent. below its present value when tested by the single standard of gold, which they claim shall be paid by us to them and to them alone. They do not seek to establish the single gold standard, they say; they are bi-metallists. They agree that silver is a legal-tender for all debts and obligations of the Government, except those held by them. It is good enough to pay the laborer, the soldier, the sailor, in short, all who work for the United States, but they insist that it is dishonest in us to pay it to them, although their bonds and obligations all show on their face that it is a legal-tender in payment of them all so long as it is coined of the standard value fixed by law, July 14, 1870, as it is now and always has been.

'The object we all had in view by keeping in actual use paper substitute for gold coin to the extent of the coin deposited has

been grossly perverted. The coin is locked up, and four-fifths of the certificates issued are of such high denominations that they are of no sort of use as currency.

The Treasurer's report, page 23, shows that on the 30th of June, 1885, the outstanding gold certificates amounted to $137,-760,860, of which all but $33,360,000 were in denominations of $500 and upwards, more than $55,000,000 of them being for $10,000 each. It is obvious that the people get no benefit in the form of currency when the bills or certificates exceed $100.

The Director of the Mint, on page 29 of his report, speaking of these paper substitutes, says: 'As these certificates represent coin in the Treasury, which coin can only be used in their redemption, they really form a part of the active coin circulation of the country.' The Director, perhaps, did not know that $55,000,000 of them were for $10,000 each, as it would be absurd to speak of such notes or certificates as forming part of our active circulation.

There can be but one purpose in this attack all along the line on everything except gold and national bank notes, and that is to transfer to the holders of our bonds absolute power over the currency, which means over the business of the country.

The report of the Comptroller of the Currency develops that purpose, perhaps, more plainly than the others. After insisting that Congress should repeal the tax on circulation, give up the profit made on the lost bank notes, or put it into a safety fund with other things for the benefit of the banks, he adds, on page 18:

Such legislation would have the effect of maintaining bank-note circulation, and prevent its being superceded by Government issues, which an authority as high as Alexander Hamilton has said 'are of a nature so liable to abuse, and it may even be affirmed so certain of being abused, that the wisdom of the Government will be shown in never trusting itself with the use of so seducing and dangerous an experiment.'

I assume that it is too clear to admit of debate, no matter what Mr. Hamilton or anybody else said, that a circulating note, in any form, properly secured, is as good when issued by the

Government as a like note would be when issued by a corporation created by the Government and secured by a Government bond; and hardly anybody but the Comptroller or a bank attorney would venture to assert that the Secretary of the Treasury is not likely to be honest and careful of the public interest in maintaining and keeping the necessary amount of circulation afloat for legitimate business purposes as bank presidents would be, who are under no obligation to consult the public welfare, but, as the private interests of their stockholders demand, may contract or expand their issues as the one course or the other best subserves their private ends regardless altogether of the public weal; indeed, they are apt to be enriched when they can most surely oppress the masses.

Yet, in the face of his claim that all other circulation is unsafe, the Comptroller shows that the decrease in national bank circulation in the last three years amounts to over $48,000,000, and says that it would have decreased $25,000,000 more if the Secretary of the Treasury had not come to their rescue by refusing to use the money at his command in the purchase of the 3 per cent. bonds on which their circulation is based; in other words, the people have lost over $2,000,000 of interest, and the bankers have made $6,000,000 on interest by the operation. The Comptroller shows very clearly why the bondholders are so anxious to get clear of the silver dollar; they fear that the premium on their bonds will fall if they are paid in whole or in part in silver. But he stated the whole case so clearly that I will read, on page 15 of his report:

It will be seen that the banks held on November 1, 1884, $155,604,400, and on November 1, 1885, $138,920,650, of 3 per cents. under the act of July 12, 1882, payable at the pleasure of the Government. The Secretary of the Treasury, during the year ending November 1, 1883, paid $105,634,150, and during the year ending November 1, 1884, $105,970,450 of the public debt. In the latter year 3 per cents. only were called. No bonds were called for the year ending November 1, 1885. Reasoning upon the theory that the public debt would, during the year ending November 1, 1885, continue to be reduced by the payment of 3 per cent. bonds, and that this reduction would occasion the reinvestment of trust and other funds invested in

threes, and cause a greater demand for and consequent increase in the price of 4 per cent. bonds to a point at which it would be more profitable for the national banks to sell them, the Comptroller estimated in his last annual report to Congress, that unless legislation should be secured enabling the banks to issue currency at a fair profit, circulation would be reduced at the rate of at least $40,000,000 per annum. It is believed that this estimate would have been substantially correct had the Government continued during 1885 to call and pay the 3 per cent. bonds as rapidly as during the two previous years.

The reduction of circulation of national banks during the year ending November 1, 1885, for reasons other than the call of bonds by which it was secured, was greater than anticipated. The causes which have led to this result are small profit remaining to national banks on circulation after paying the tax of one per cent. per annum imposed by the Government; reduction in the rates of interest throughout the country, occasioned by the abundance of money in the financial centers; and, doubtless, uneasiness among certain of the bankers of the country as to the outcome of the increase of silver in the Treasury, *such increase indicating that possibly the interest on the public debt, and even some portion of the principal, might be paid in standard silver dollars*, and that Government bonds might thereby become depreciated in foreign markets, which would undoubtedly affect their price in this country. The credit and standing of this country is deservedly high, and it is not believed that the people desire either the principal or interest on the bonded debt of this country to be paid in anything but gold coin or its equivalent.

I think the Comptroller makes it clear that the country can not afford to rely for its circulation on national bank notes. He asserts that the bankers will surrender their circulation and sell the bonds upon which it is based, regardless altogether of the public needs, whenever they can make more money by selling the bonds than they can by loaning the circulation. We all know that to be true.

Can Congress afford to vest absolute power over the contraction and expansion of the circulating medium which regulates all our transactions exclusively in the hands of men who gamble with it for private gain without any sort of public responsibility?

I think not; yet, if we retire the greenbacks and the silver certificates, as our officials advise us to do, we will have no cur-

rency but national bank notes left, *which they can expand or contract at pleasure.* Nobody pretends that in the reduction of these notes from $324,000,000 in November, 1882, to $276,000,000 in November, 1885, the public interests or needs were for a moment considered.

I may observe here that silver certificates are now and have always been a popular currency.

The Treasurer in his last report, page 24, says:

The issue of silver certificates by Treasury officers in the South and West for gold coin deposited with the assistant treasurer at New York, under departmental circular of September 18, 1880, was discontinued in January last. The amount which had been issued in that manner to the date named was $80,730,500.

The Treasury order referred to reads thus:

'TREASURY DEPARTMENT,
'SECRETARY'S OFFICE,
WASHINGTON, D. C., September 18, 1880.

'Until further notice the United States assistant treasurer in New York will pay out at his counter standard silver dollars or silver certificates in sums of $10, or any multiples thereof, in exchange for like amounts of gold coin or gold bullion deposited with him.

'Upon the receipt by the Treasurer of the United States in this city of an original certificate of deposit issued by the United States assistant treasurer at New York, stating that there has been deposited with him gold coin or gold bullion in the sum of $10, or any multiple thereof, payment of a like amount in standard silver dollars or silver certificates at the counter of any United States assistant treasurer designated by the depositor will be ordered. JOHN SHERMAN, *Secretary.*'

The Treasurer of the United States in his report to Congress dated November 1, 1880, says:

The demand for silver certificates under the circular of the department dated September 18, 1880, authorizing their exchange for gold coin and bullion, has been quite extensive at New Orleans, Saint Louis, Chicago, and Cincinnati, and there were paid out at these points during the month of October $3,485,000 in silver certificates for an equal amount of gold coin deposited in the sub-treasury in New York.

And in December, 1881, the Secretary of the Treasury in his report says:

The Department has issued silver certificates at the several sub-treasury offices, upon a deposit of gold coin in like amount with the assistant treasurer at New York, and through this means certificates have been issued for nearly all the silver held by the Treasury. These certificates amount to about $66,000,000 and are now outstanding.

That condition of things doubtless rendered the following order necessary, as all or nearly all the silver coin in the Treasury was represented by outstanding silver certificates:

TREASURY DEPARTMENT,
SECRETARY'S OFFICE,
WASHINGTON, D. C., November 1, 1881.

Until further notice the exchange of silver certificates for gold coin deposited at the office of the United States assistant treasurer at New York will be suspended and Department circular No. 75, of September 18, 1880, is hereby modified accordingly.

H. F. FRENCH,
*Acting Secretary.*

Subsequently this restriction was removed for a time and over $80,000,000 of silver certificates were taken principally by the people of the South and West in exchange for gold coin. The privilege was finally withdrawn in January, 1885. I ask in view of these facts how it can properly be charged that the people will not use the silver coinage, that they are hoarding gold, that the depreciated paper will soon greatly impair the purchasing power of the poor man's wages, and that we are on the verge of a financial crisis unless we bring all our transactions at once to a gold basis?

It must not be forgotten that all the gold coin deposited for silver certificates became at once the property of the United States; it was not held in the Treasury for their redemption. An equal amount of silver coin took its place for that purpose at once. Men who owned gold all over the South and West, in Louisville, Indianapolis, Nashville and other places, as well as those cities named in the report, sent their coin at their own expense to the assistant treasurer in New York in order to have sil-

ver certificates delivered to them for use as currency at home. Yet, during all that time, the bullion value of gold in London was at least 15 per cent. more than silver, and the country was being periodically alarmed, and Congress advised by our officials that gold was leaving the country, that silver was a degraded standard of value, and that its coinage must be stopped or its weight increased or ruin would speedily be upon us because of its depreciation in the London market.

The facts I have stated overthrow all the speculations of the theorists. Our business men gladly exchanged their gold coin for silver certificates and did not ask any better security for the paper they took than the silver dollar deposited in the Treasury. So far from hoarding gold because of its greater bullion value in a foreign market, they sent it to a distant depository to get the paper we are advised is dishonest money because it is depreciated 15 or 20 per cent. below gold in London. I have thus imperfectly outlined the reasons why I cannot sustain at this time a policy which seeks to withdraw either our legal-tender notes, the silver certificates, or stop the silver coinage, and I see no propriety in increasing the weight of our silver coin beyond the standard value fixed by law in July, 1870, under and by which all our outstanding bonded indebtedness is regulated. I am convinced that we can no longer look with safety to the national banks to furnish the country with a staple currency."

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Extract from the speech of Hon. A. J. WARNER, of Ohio, on the Silver Question, in the House of Representatives at Washington, February 9, 1886:

"The distinguished economist, M. de Laveleye, began his address on bi-metallism before the French Institute in Paris in 1881 with these words:

'If I venture to speak of money before this assembly, it is to obey the wish of my distinguished and regretted master, Wolowski, who in his last illness wrote me, in a hand already enfeebled: My strength is forsaking me; but do you continue to defend our cause, which is the true one.'

I speak for silver because I believe it is the side of truth and justice, and that the welfare of the country and the world is inseparably bound up in it.

To secure stability in money has been declared to be the chief end of political economy. To preserve the greatest possible stability in metallic money is the object, and the only legitimate object, of perpetuating the use of both gold and silver as money. They who advocate the demonetization of silver and the establishment of the single gold standard start out on the assumption that gold by itself constitutes a fixed standard, at least that its value in no wise depends on the concurrent use of silver as money, and that whatever be done with silver it will not affect the value of gold. They must of necessity, start with this assumption or their arguments would break down at the outset. If they admitted that to demonetize silver would alter the value of gold, would make the gold standard a different standard, the monstrous injustice of such an act would become so apparent that no one would enlist in its defense.

But right here lies the root of the evil of mono-metallism. The fact, the incontrovertible fact, is, that the demonetization of silver, by lessening the quantity of money in the world and increasing the demand for gold, does change the value of gold itself, and thus makes the gold standard a different standard from what it was or would be with silver continued as money concurrently with gold.

If the world's money be taken as $4,000,000,000 of gold, $3,500,000,000 of silver, and $4,500,000,000 of paper, it is plain enough that, if the silver and the paper were destroyed, gold, having three times the work to do, would be enormously increased in value. It is quite apparent, too, that if the silver part were taken away or reduced to a mere subsidiary money, the paper, in order to be kept at a parity with gold, must be greatly reduced in volume.

But for our present argument take only gold and silver. Suppose, instead of being coined separately, these metals had been melted together and coined, as were the electrum coins of ancient Lydia, making $7,500,000,000 of gold-silver coins for

the world, would anybody hold that half of such a volume of money might be destroyed or demonetized without appreciating the value of the part remaining? or who would advocate such a step? And yet it cannot make the least difference in the world whether the two metals are coined separately or melted together and coined as a compound metal. The mass is the same in either case, and it is the mass of the whole, and not the way it is coined, that determines the value of the whole and of each piece. You can not, therefore, overthrow silver without altering the value of every ounce of gold in the world and of every gold coin.

M. Premiez, in the monetary conference of 1878, said: 'Destroy all the silver, and the gold which will remain will be worth as much as the two metals together were before.' There is no escaping this conclusion. Then how can it be justified? I hold the gold advocates to this issue. It is for them to answer. They may say it is not proposed to demonetize outright all the silver coins now in existence. I reply that to reduce them to mere subsidiary money, which is proposed, or in any way to abridge the use or shut off the supply of silver for money, increases proportionately the use of gold, and thereby increases its value.

Already an immense change has taken place in the value of gold from this cause. I propose briefly to trace the effect of this change and the further change that is sure to follow every step in the transition from bi-metallism to a single gold standard, first on the debts of the world and the cost of governments, and then on production, industries and labor.

I will take only the debts of countries heretofore bi-metallic, or that would be immediately affected by a change to a single gold standard.

THE NATIONAL DEBTS OF EUROPE

alone, according to the Reform Almanac for 1886, amount now to $22,795,000,000. This is the largest aggregate I have seen authoritatively stated. Add to this the national debts of the United States, Canada and other bi-metallic countries, and we

get the stupendous aggregate of about $26,000,000,000 as the burden of National debts that weighs down modern nations.

The increase in national debts since 1848 has averaged $500,-000,000 a year. Next come

### THE STATE AND MUNICIPAL DEBTS,

which for the United States are given as $1,117,000,000 in 1880, or over $20 per capita. Local public debts of England and Canada, $1,735,000,000. The municipal debts of some large cities are indeed frightful. That of Paris is $420,000,000, New York $150,000,000. Twelve principal cities of Europe show an average of $30 per capita. The debts of some cities in the United States run up to over $100 per capita, and a few to over $200. The total of local debts in the countries whose national debts were given swells the aggregate public indebtedness of these countries to $38,000,000,000, which nearly equals the entire wealth of the United States, and is greater than the value of all the lands of the United States and England together.

No less startling is the mortgage indebtedness of modern countries:

| | |
|---|---|
| For the United Kingdom it is given at | $8,000,000,000 |
| For Germany | 8,500,000,000 |
| For France | 3,850,000,000 |
| For Russia | 3,250,000,000 |
| For Austria | 1,500,000,000 |
| For Italy | 2,675,000,000 |
| For other European countries | 3,050,000,000 |
| Total | 30,825,000,000 |

The mortgages in the United Kingdom amount to 41 per cent. of the value of all the landed property in the kingdom. Lord Reay puts it at 58 per cent. Samuel Smith places the mortgages of all England at $2,000,000,000, which is nearly 60 per cent. of the value of all the landed property.

Mortgages in Germany amount to 49 per cent. of the value of all the real estate.

We have no statistics in the United States by which to compute the total mortgage indebtedness In 1880 the Census

showed 4,686,187 tenant farmers, and a writer in the January North American says 'it is a very rare thing in the newer States to come across a farmer who has not a mortgage, or bill of some kind, coming due on his land.' But if the mortgage indebtedness reaches no more per capita here than in England it would amount to $8,200,000,000, which would be 41 per cent. of the true estimated value of all the real estate in 1880. This is about the same as the per capita of the mortgage indebtedness of Europe, and is doubtless a low estimate for this country.

The railway mortgages in the United States in 1885 amounted to $3,750,000,000.

Putting these several forms of indebtedness together—national, State, municipal and mortgage, not including railroads, and taking no account of private indebtedness other than mortgages—and they aggregate not less that $75,000,000,000, or nearly twice the value of the whole United States, and more than the value of all the lands of Europe and the United States together! Feudalism never approached such dimensions nor attained a tithe of such power. The interest on this vast accumulation of debts at 4 per cent. amounts to $3,000,000,000 per annum, to pay which would require the constant earnings of full one-half of the entire laboring population of the United States. It is pertinent to inquire here who are the

### HOLDERS OF THESE NATIONAL DEBTS.

In England 300 persons own $150,000,000 of the national debt; 2,000 persons own $570,000,000, 40,000 persons own $2,000,000,000, and 237,000 out of a population of 36,000,000 own the entire debt.

In the United States, banks, trust and insurance companies hold $550,000,000 of the national debt; 10,000 persons hold $500,000,000 more, and less than 100,000 out of a population of 57,000,000 own the entire debt. How municipal and mortgage debts are held statistics do not show.

England, it is true, since 1816 has had a gold standard. But her relation to the continent has been such that she has been practically as much under a bi-metallic valuation as France or

any other continental nation. So that every dollar of this staggering weight of debt has been created by a scale of valuation made of the two metals combined, and not of one alone. It was created on the basis of both metals as money, and with the right to expect that both would remain money metals, available always for the discharge of debts. And does not simple justice require that debts should be paid by the same scale by which they were created? States have created or authorized these debts and have provided machinery for enforcing payment. To alter the standard of payment after the creation of obligations can no more be justified than to alter the pound weight or the bushel measure; and an alteration outright would never be tolerated. It must be done by some indirect and obscure manner, as by altering the value of money.

On this point, J. R. McCullough says:

Directly to alter the terms of contracts between individuals would be too bare-faced and tyrannical an interference with the rights of property to be tolerated. Those, therefore, who endeavor to enrich one part of society at the expense of another find it necessary to act with caution and reserve. Instead of changing the stipulation in contracts, they have resorted to the ingenious device of changing the standard by which these stipulations are adjusted. They have not said in so many words that 10 or 20 per cent. should be added to or deducted from the debts and obligations of society, but they have, nevertheless, effected this by making a proportional change in the value of money.

Let it be understood that this Government has never issued a bond or created a debt of any kind specifically payable in gold. The act of March 18, 1869, 'to strengthen the public credit;' the refunding act of July 14, 1870; the coinage act of February 28, 1878; the Matthews Senate resolution; the terms of the bonds themselves, plainly printed on their face, all unmistakably declare the debt payable in coin. On what principle of ethics, then, does the bondholder ask to have silver demonetized, gold made dearer, and then that his debt shall be paid in the dearer metal? It can not be forgotten that this debt was created in the first instance in greenbacks; that it was afterward changed to a

coin debt, doubling it in the hands of the holder. Now to ask that the standard of payment shall be changed to gold, and the value of the gold increased by demonetizing silver, is an insult to the moral sense of all honest people.

The bondholder is equitably and legally entitled to the thing he bargained for, to be paid at the time agreed upon, and no more. Whether silver has fallen or gold risen does not enter into the question here. The honest dollar is the dollar of the contract.

It is always the right of the debtor to elect which kind of money he will pay in. Without this right legal-tender would be of no use.

Let us next consider the change in the value of gold as evidenced by a

FALL OF PRICES.

The London Economist admits a fall in prices in the last ten years of 33⅓ per cent. Mr. Giffen, Mr. Goschen, Mr. Grenfell and others say from 30 to 55 per cent. to 1883. Mulhall, coming down to 1885, makes the price level in the United States 46 per cent. lower than in 1872. While in Great Britain it is 43 per cent. lower, in France it is 34 per cent. and in Italy 37 per cent. lower. And all authorities agree that prices generally are now lower than before the gold discoveries in 1849.

A fall of 33⅓ per cent. in commodities is the same thing as a rise of 50 per cent in the value of money. Hence the rise in the value of gold has already added at least 50 per cent. to the debt and tax burden which dead generations have imposed upon the world. Locke says:

> Money, while the same quantity of it is passing up and down the kingdom in trade, is really a standing measure of the falling and rising value of other things in reference to one another, and the alteration of price is truly in them only. But if you increase or lessen the quantity of money current in traffic in any place, then the alteration of value is in the money.

Exactly the case under cosnideration. The alteration is in the measure, and not in the goods.

I do not claim that the lower level of prices of all commodities is due exclusively to a change in the scale of valuation. Improved methods of production, lessening the cost of production and increasing the quantity of products, affect price-levels; but taking labor-energy as the test, and changes in price-levels from these causes in ten years are inconsiderable as compared to changes in price-levels due solely to a change in the measure, which amounts to at least 50 per cent. Fifty per cent. of $75,000,000,000 of debt is $37,500,000,000. Four per cent. interest on this gives $1,500,000,000 a year.

In thirty years the interest alone on the addition to the world's debt made by the alteration in the money scale which has already taken place, if allowed to stand, will amount to as much as eight generations of the English-speaking race have accumulated on this continent! In the same way the eight and a half billions of taxes levied annually by these countries for interest charges and maintaining governments becoming over twelve billions by altering the scale from gold and silver to gold alone. For no matter how much money may be increased in value, the same number of dollars are required for debt and taxes.

But the end is not yet. With no gold production for money, and silver demonetization to go on, a further decline in prices, including all landed properties, must certainly follow. Yes, before the transition from bi-metallism to gold mono-metallism is completed and the mass of debt-paying money is reduced from both metals and paper based on both to gold alone and paper based on gold only, a fall of 50 per cent. from the average prices that prevailed from 1850 to 1875 must be expected. A fall of 50 per cent. in prices means an increase of 100 per cent. in the value of money.

What railroad corporation or manufacturing establishment can endure such a scaling down of its property and earnings while its fixed charges remain the same? What proportion of debtors would have anything left?

The act demonetizing silver in this country in 1873 was a satanic device to work out this very end, and it is no wonder that no one has had the courage to come forward and claim its

authorship. More injustice, fraud and iniquity have grown out of this act than out of any act of confiscation or spoilation ever inflicted upon mankind.

In short, money is to capital employed in industries what industrial capital is to labor. It is the motive power behind both. Withdraw it, and capital is forced to suspend, machinery stops, and the hands of labor are tied. Then comes the struggle for life. Strikes, disorders and social troubles follow.

Is not this what the cable announces as taking place in the heart of populous London to-day? The shrinkage in the world's money is the primary cause of trade depression everywhere, and of the want which finds expression in these uprisings of the suffering people.

Is it not true, then, that the future welfare of the country and the world is profoundly involved in this great issue? The injustice may not be so manifest and glaring as in the case of debtors, but I believe the effect of making gold the only money will be to reduce in a generation more people to a condition no better than slavery than ever there were of black slaves in this country, or than ever there were slaves of any color anywhere at any one period of the world's history.

Perhaps a clearer view of this monetary revolution can be had if we put the decade from 1863 to 1873 and that from 1873 to 1883 side by side. During the first decade there was added to the stock of metallic money in Europe, by the coinage of new metal from the mines, over $1,250,000,000, France alone doing $60,000,000 a year. That was a decade of great prosperity, as all will admit. In 1873 the monetary revolution—the movement to demonetize silver—began to take effect. See what has followed. Instead of a coinage of $125,000,000 of new money a year almost none has been coined, and the great mints of England, France and Belgium are now practically idle.

On the other hand, Germany began to melt down silver coins and buy gold. The United States soon after began to accumulate gold for resumption; then Italy; so that of the stock of gold befor existing in Europe, Germany took about $400,000,-000, the United States about $400,000,000, and Italy $200,000,-

ooo. These facts placed side by side show that in the one decade \$1,250,000,000 was added to the European stocks of money; in the other little or none was added, but \$400,000,000 was drawn to the United States, and \$600,000,000 was spread out over countries theretofore using paper or silver. This was the 'scramble for gold' we have heard about. It was the 'too small blanket' Bismarck said the world was contending for, and yet they tell us that gold has not changed in value, but that silver has fallen, and that the remedy for the hard times is now to lay aside silver!

Comparing the business prosperity of these two decades, we find just the results that were predicted, just the condition of things that always has and always will attend on a shrinking volume of money. History, therefore, but confirms what monetary science teaches.

Turning to the future, what is before us?

First, this startling fact presents itself. The production of gold has fallen off. While consumption in the arts and dentistry has increased until the whole annual production of \$93,000,000 is consumed for other purposes than money. More than this. Geologists agree that the future supply of gold is destined to diminish. All the great accessions of gold have come from placer mines, not from veins. Few countries remain which have not been well enough explored to render it certain that no more great placer mines will be found.

With no new gold for money and silver ruled out, where is our future money supply to come from? This is the question I address to the advocates of gold and to those who say stop the coinage of silver. The gold mines yield us now no money. Every ounce they yield is absorbed in the arts, for ornaments or use in dentistry. A little calculation shows that the annual production of gold is but about 7 cents for each of the world's population, or \$2.25 to each inhabitant during the average lifetime of a generation. Nor is there any hope of improvement in the situation as to gold. Now shut off silver, and whence, I repeat, is the supply of metallic money to come? How is the stock in hand to be kept good even?

It is admitted here that there is no danger from the silver coined up to this time. Very well. Our population has probably reached 58,000,000. Our money amounts to about $25 per capita. To maintain this proportion of money to population and wealth about $50,000,000 of additional money a year is required, and this increment should increase with the increment of increase in population.

But we are coining but about $28,000,000 of silver. There is then, at the end of each year, a deficiency rather than a redundancy. To bring this relation more clearly to view, suppose we go on coining $28,000,000 a year for ten years. We will then have added $280,000,000 to our money volume. But meantime population will have increased by at least 20,000,000, and wealth, in all probability, in a greater ratio. To maintain the same ratio to this new population of 20,000,000 that now exists without 'causing uneasiness' at least $500,000,000 of additional money will be required.

If the present volume need cause no uneasiness, why then need the larger volume, with a larger population to use it, cause uneasiness? The truth is, if no more than $28,000,000 a year of silver is coined there will be an increasing scarcity and not a redundancy of money, which will be felt in falling prices, unless this condition is relieved by accessions of gold or other money. Because the coinage of silver since 1878 has not kept pace with needs for money gold has increased during this period by more than $400,000,000. In fact, during the past year we have gained $18,000,000 of gold by imports and as much more the product of our own mines. So that we are now in fact farther from a separation of the two metals as money than when the act of 1878 was passed, or any time since.

But suppose the coinage of silver should be stopped. What then will be the situation ten or twenty years hence? Is there to be no more money for a hundred millions of people than for fifty-eight millions? It is plain that to shut off money supply from an increasing population is in effect the same as to contract the money volume with a stationary population. Think of contracting the money volume 3 per cent., or $45,000,000 a year,

for ten years! What would be the condition of the country at the end of that time? But it would be no worse than to stop money supply with population increasing at the rate of 3 per cent. a year."

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Extract from the speech of Hon. THOMAS M. BOWEN, of Colorado, on the Basis of Bank Circulation and Free Coinage of Silver, in the Senate of the United States, March 8, 1886:

"The present production of the precious metals does not justify the belief that we shall ever witness the financial millennium described; but it is nevertheless wise to put and keep ourselves in line by proper laws, to reach as far we can in that direction. Who, after all, can tell? All the great mountain ranges in the center and western part of the continents of North and South America, reaching from beyond far-off Alaska to Cape Horn, constitute one vast mineral belt with capabilities of mineral production almost beyond computation. The great developments made in numerous places up to this time, when we consider their relation to the whole of this great belt, are but as a drop in the bucket. Who after all can fix or even approximate a limit to the volume of metallic money while our hardy prospector keeps on from year to year, pushing farther and still farther into these comparatively unexplored mountain fastnesses, seeking gain for himself by discovery of new mines, while at the same time he is planting the advance mile-stones of progress, civilization, Christianity and human freedom.

The last annual statement of the Comptroller of the Currency, dated November 1, 1885, gives substantially the following (I speak in round numbers) as the total paper issues of the country, including legal-tender, national bank notes and outstanding gold and silver certificates: Legal-tender, three hundred and forty-seven millions, gold certificates, one hundred and nine millions, silver certificates, ninety-three millions and national bank notes, three hundred and sixteen millions; making a total of paper amounting to eight hundred and sixty-five millions. The amount of gold and silver coin and bullion in the country is somewhat

conjectural. Taking, however, the authority above cited, which probably does not understate the amount, I find that the aggregate of coin and bullion is as follows: Gold and gold bullion, five hundred and eighty-seven millions; silver and silver bullion, three hundred and seven millions; making a total of eight hundred and ninety-four millions. Hence the grand total of coin and paper issues amounts to seventeen hundred and fifty-nine millions; but this aggregate must not be taken to represent the active circulation of the country, that which is distributed among the people, as I shall plainly show.

In order to ascertain what amount is available to the country as a circulating medium, there must obviously be deducted from the gross aggregate I have given, first, the amount of reserves withheld by national banks taking the minimum amount fixed by the statute; next, it is equally evident there should be deducted the amount of gold and silver in the Treasury represented by the outstanding gold and silver certificates issued by it; and, next, the balance of gold and silver remaining in the Treasury, because this sum must be retained there as a reserve fund, weak as it is, for the maintenance of specie payments and to meet the other coin obligations of the Government. The amounts of these items are as follows:

National bank reserves, two hundred and fifty-five millions; gold and silver in Treasury representing outstanding gold and silver certificates, two hundred and two millions, balance of gold and silver in the Treasury, two hundred and forty millions. These several items, bank reserves, gold and silver in the Treasury to redeem gold and silver certificates, and gold and silver necessary to maintain specie payments, amount to, in round numbers, six hundred and ninety-seven millions. But there are other items which must be added to this aggregate. These I find in a report of the Treasurer of the United States dated January 30, 1886. From this report it appears that in addition to the foregoing there is in the Treasury and withheld from circulation the following: Legal-tender notes held for redemption of national bank notes, forty-eight millions; national bank notes for redemption of national bank notes, twenty-four millions; ad-

ding these to the previous total will make a total of seven hundred and sixty-nine millions.

Deducting this sum from the total of paper and metallic currency now existing in this country, as heretofore stated, shows that the entire amount of active circulating medium available to sixty millions of people is a fraction less than $1,000,000,000. This is the sum of the currency shown to be in active circulation if only the bank reserves, which the law requires, are deducted. In point of fact the volume of reserves now exceeds the legal requirements by $160,000,000; so that the volume of active circulation is still further reduced by this additional amount so withheld. It will therefore be seen, and this is a point to which I now beg to call the special attention of the Senate and the country, that the maximum amount of active currency which is possible, the very furthest limit to which we can go under existing laws, is barely sixteen and a half dollars per capita, while the actual active circulation of to-day is less than $14 per capita. I must emphasize the fact that the bank reserves of $255,000,000, a proportion of the deposit of the national banks rigorously fixed by law to be retained in their vaults—that these millions, imposing as they are, do not add one dollar to the actual circulating medium of the country.

It is a circulating medium which shall not circulate. It has its functions to perform, valuable and necessary indeed, and that function is to remain 'fixed and motionless' in the strong boxes of the national banks. To part with one dollar of it is to violate the positive statutes of the land, no less than sound and accepted principles of banking. But equally true is it that all of the gold and silver thus held in the vaults of the Treasury is, for purposes of circulation, as valueless as if it did not exist. If it were in the depths of the Atlantic it would not be more completely beyond reach.

And here I wish to deal with the popular fallacy—a fallacy which confronts us at every step—which has become an apothegm. This fallacy is to be found in the assertion that when there is an abundance of money, that then it may be obtained at a low rate of interest; and the rate at which money is loaned

at our great money centers is pointed to as irresistible evidence that there is no lack of money in the country. Those who maintain this proposition are misled by a false analogy. Plenty of money, they say, compels a low rate of interest, and a low rate of interest proves in turn that there is plenty of money. Now the error and the false assumption lie in mistaking the earning power of money for its purchasing power. It is absolutely true, and no one thinks of denying it, that the exchangeable value of money, or its purchasing power, bears a certain inverse proportion to the volume of money there is in circulation.

Silver has received considerable consideration at the hands of Congress during the present session, but just at this time there seems to be a lull in regard to it at this end of the Capitol, a lull growing, perhaps, out of a disposition on the part of the enemies to let the cause of bi-metallism sink or drift out of sight; but be this as it may, its friends do not intend to rest content with anything short of keeping it well to the front, and it may as well be said now as at any time that the contest will be waged with such persistence that all will understand that nothing short of the full establishment of a permanent bi-metallic policy and the free unlimited coinage of silver dollars by this Government will ever settle the question.

Short of this we have no compromises to offer, believing as we do that the hour is at hand when this country should have a policy of its own on this and other great questions, and that the policy we advocate will best subserve the interests and promote the happiness and well-being not only of the people in this broad land but of those throughout the world. Such are the legitimate purposes of government everywhere, no matter how organized, whether dircted by the people themselves or controlled by kings, emperors, and princes.

The practical demonstration of the power and ability of this people to govern themselves has long since had its influence in the Old World, and our policy, if well defined now upon the question under consideration, will in the end have a controlling influence on its settlement in all lands.

The very able and distinguished men in and out of Congress who speak and write upon the other side of this question overlook the absurdity of permitting the price of silver to be fixed as it now is by the London market; by a country which does not produce an ounce of this precious metal; a country whose most important interest lies in procuring cheap silver for use in India, where it has nearly completed vast systems of railway and other avenues of transportation whereby it is sought to build up competition with the producers of this country by stimulating the production in India of similar commodities to our own. Considering that silver is the only legal-tender there—gold is not—it most clearly appears why England wants cheap silver which she now buys as bullion, coins it, uses it to build up our chief competitor, and in doing so makes 30 cents on every dollar of silver used in India, and may be paid out there at its coin value by England which buys the silver at its bullion value. No wonder England wants cheap silver. She demonetizes it at home, makes it the only money of India, fixes the price of our silver product, and seems to be regulating the whole business.

Sir, a man,—a seller—who in his private affairs would permit a buyer to fix a price upon the property for sale, and actually buy it at such a price, a seller, too, who himself controlled half the product of the world in that line, would stand convicted of most stupendous stupidity. Yet so it is that this Government is permitting England to do just such a thing with our silver interests, bearing down its price while interested in building up a competitor to this great country, and using our silver to enable her to do so. She arrogates to herself the position of both prosecutor and judge, and her decisions never deviate from the line of her direct interests. So long as this country maintains a wavering position on the question of bi-metallism we lose half the ground, gained by the remonetization of 1878. Had our Government through its officials carried out in good faith the will of the people expressed by the law of that year, the double standard would long ere this have been an accomplished fact throughout Europe. Even as it is the mono-metallists are on the retreat in Germany and elsewhere, and it should be the unswerving

purpose of the friends of bi-metallism here to crowd them; not by misrepresentation, ridicule, or abuse, but with firm fairness, using the honest weapons of fact, illustration, and argument.

Mr. Ivan C. Michels, who has in course of preparation an elaborate paper on the subject of our foreign trade for the use of the National Bi-metallic Coinage Association, has kindly furnished me with the striking facts which I will now present. They will need little comment from me, because they are their own best argument and commentary. The statistics to which I am about to refer have been gathered with the most painstaking care, and their general accuracy I have personally verified. I shall use only round numbers to avoid the repetition of insignificant amounts. These tabulated statements show that from 1873 (when free coinage of silver was abolished in the United States) to 1885 the export of wheat from India rose from 100,000 bushels to 45,000,000 bushels. In twelve years the wheat exports were more than one hundred times quadrupled. This amazing development was not due to chance.

The effect upon our cotton and wheat exports resulting from our policy upon the silver question has often been referred to by speakers and writers, but with such brevity of statement that the actual relation between the declining price of silver and the coincident fall in the price of wheat and cotton—this relation of cause and effect—was not adequately explained. The pertinent facts in the case have not been set forth with that fullness of detail which is necessary to carry conviction to the average intellect. I have, therefore, with some care brought together such data—deriving the substance of all from the labors of Mr. Michels—as can not fail to throw a strong and clear light upon this important subject.

The cultivation of this great staple in India has been most sedulously encouraged and stimulated by the English Government. To obtain a marketable grain, and to secure the most immediate and most profitable results, the English have carefully watched and supervised both the planting and the gathering of the crop. They have supplied the natives with selected seed of the best foreign varieties, and have gratuitously distributed

among them agricultural implements and machinery of the most approved patterns.

But facilities of transportation to the seaboard of the Indian products were no less indispensible. To provide these the English Government has built, and is building, trunk and tributary lines of railroads and canals, some long since finished and nearly all well advanced towards completion.

The report of the Indian director-general, dated March 31, 1885, shows that at that date there were 12,000 miles of railroad open to traffic, while upwards of 3,500 miles of road were in course of construction. The total outlay for railroads and connecting steamboat lines up to the date mentioned reached $800,000,000; and the construction of nearly 1,500 miles of new lines has been recently decided upon. The earnings of the roads in operation show that as purely commercial ventures they are profitable investments, while their value in a military point of view is beyond all estimate. So that the natives were first taught how to raise wheat, and next were supplied with the means of sending it to a market.

The success which has attended this effort of the English Government to utilize its Indian labor and create a competition to this country in wheat production, and thus secure for the English people another source of supply, is shown in the figures already given. And we, who are supposed to reflect the will and protect the interests of the American people, have come to the aid of the English Government in this work. We rendered the most efficient help possible by a single stroke of legislation—by the demonetization of silver. And the effects of that act linger to-day. Although no longer in force it has, in conjunction with the policy of other nations, driven silver and gold farther and farther apart until silver is now, measured by the gold standard, 20 per cent. cheaper than it was in 1873.

To-day the English purchasers of Indian wheat are able to pay for it in a coin, the silver rupee, which costs them 30 per cent. less than the money which would be required to pay for wheat imported from the United States. To make this clear, I must state that the rupee is a legal-tender in India, and that its ratio

to gold is 14.28 to 1. This difference of ratio alone between our standard and the Indian standard gives to the English buyer an advantage amounting to 10 per cent.; and, as silver bullion on the London market sells for 20 per cent. below the value of our silver coin, it is manifest that there is at once established a difference of 30 per cent. in prices in favor of the Indian wheat raisers and consequently against our own.

Competing in the world's market our wheat is inevitably forced down, approximately, to the Indian price. What this amounts to in dollars we shall see. Taking our last year's crop 350,000,000 bushels, there was a clear loss to our farmers, from the causes stated, of over $70,000,000, while we have on hand, of unmarketed wheat, 57,000,000 bushels against one-third of that volume three years ago.

Our cotton interests have also suffered in the same way. The cultivation of cotton in India has been carefully watched and fostered by the English Government, so that in this field also our supremacy is no longer assured. Though cotton is not discrowned, this sovereignty includes India as well as the United States. India has the same vast cotton-belts that we have, the same rich alluvion, similar climatic conditions, and immeasurably cheaper labor. But in addition to all these advantages, the English buyers have the cheap silver which we supply.

The development of cotton production is best shown by the growth of the cotton exports from India. These exports have increased from 650,000 bales in 1879, to one and a half million bales four years later; or the export from India in 1883 amounted to about one-fourth of our whole cotton crop. The cotton manufactures of India show a similar growth. The consumption of cotton by the native manufactories has more than doubled since 1879, and the export of manufactured goods has risen from 14,000,000 yards in 1876 to 55,000,000 yards in 1885, or has quadrupled in nine years. On the other hand, the exports of manufactured goods from the United States have fallen from 14,000,000 yards in 1880 to 12,000,000 yards in 1885. And here I must mention as a pertinent and noteworthy fact that the price of cotton has steadily kept pace with, has in no year shown

any reaction from, the declining value of silver in the London market. The following figures sufficiently illustrate this fact:

*Average price of silver and cotton in London for the years* 1882 *to* 1885, *inclusive.*

| Years. | Silver.* | Cotton.† |
|---|---|---|
| | PENCE. | CENTS. |
| 1882 | $51\frac{13}{16}$ | 10.79 |
| 1883 | $50\frac{3}{4}$ | 10.64 |
| 1884 | $50\frac{3}{4}$ | 10.54 |
| 1885 | 49 | 8.90 |

*Per ounce. †Per pound.

That these changes in the price of cotton were not brought about by the varying volume of our crop for these several years will appear from what I shall now read:

| | Bales. | Price.* |
|---|---|---|
| Total crop for 1882 | 5,400,000 | $0 10.79 |
| Total crop for 1883 | 7,000,000 | 10.64 |
| Total crop for 1884 | 5,800,000 | 10.54 |
| Total crop for 1885 | 6,500,000 | 8.90 |

*Average price per pound.

Comparing the crops of 1882 and 1884 it will be seen that the crop of the latter year exceeded the crop of the former by four hundred thousand bales, and the price in 1884 was one-fourth of a cent lower per pound than in 1882. Two mills per pound would fairly represent the decline in silver between the periods mentioned. Comparing the crop of 1883 with 1885 it will be observed that though the crop of the latter year fell short of the crop of the former by a half million bales, yet the average price in 1885 was one cent and three-quarters lower than during the year when the large crop was produced.

I do not mean to insist that the declining prices of cotton are due wholly to the declining prices of silver. Other causes have assisted, and chief among these is the rival cotton crop which India is able to produce. It is only in the calm consideration of such figures as I have given, and in intelligently recognizing the true causes, that we may learn how to so shape our legisla-

tion as to protect in the future these special, yet truly imperial, interests—interests which come close to the pockets of two-thirds of the people of this Union. Can there be any doubt as to the meaning of these results—present, existing results—and also the portentous consequences foreshadowed for the future?

Our entire annual silver production amounts to $48,000,000. Yet cheap silver cost our wheat growers $70,000,000 in one year; and the decline of 1¾ cents per pound in cotton since 1883 would amount to, on last year's crop at $8 per bale, the sum of $52,000,000. There is no element of fancy in this statement. The figures are accessible to any one who cares to investigate the matter; and it seems to me there is no escape from the lessons of warning and instruction which they convey to us. He must be willfully blind who can not see it. English financial writers show how thoroughly they appreciate the advantages which the English merchants who trade with India derive from the cheap silver with which we are supplying them. A writer in the London Economist, of recent date, deplores our continued coinage of the silver dollar. And why? Because, he says (I quote), 'it can not be to their interest that the trade of one of their best customers should be undermined by a deteriorated currency.' This observation is sentimentally meaningless.

Now let us look at the process of contraction which has been steadily going on for many years. Under the administration of Mr. McCulloch, as Secretary of the Treasury, the volume of money was reduced from two thousand millions down to seven hundred millions.

Then came laws authorizing the retirement of the circulation of national banks, thus giving those institutions the power to contract the currency; while on the other hand a law was passed repealing all laws limiting the circulation of the banks, thus giving them the power to inflate the currency at will. These two provisions are the ones which riveted the shackles upon the people and constituted them a nation of slaves to the extent of depriving them of all power over the volume of money, which, as I have already said, is the power which regulates the price of all property and all labor. No man knows to-day at what mo-

ment he will find himself in the death-grip of contraction or whirling along in the mad tornado of the wildest inflation. The two provisions of law referred to have substituted a policy of three balls in lieu of just and sound principles of finance. We are continually reminded that the banks can issue all the money needed for use in carrying on the business of the country. True, enough; they could if they would, but they never have, and they never will, unless it subserves their own interests, and those interests, without exception, lie in the direction of a contracted currency, because they deal directly in money and control nearly the whole of it; hence the less there is, they being in possession of what there is, the more valuable it becomes to them.

The great question is, shall this Government issue a declaration of financial independence? A declaration not only against Europe, but against the organized enemies at home. The war of the contractionists is not based upon the fact that silver will add too much to the volume of money. A more subtle issue is involved. With bimetallism firmly established here they know the nations of the earth will be forced into the same line of financial policy; they know we can not accumulate silver and gold enough to furnish the necessary amount of hard cash to do the business of this country; they therefore hope that with the single standard of gold once established, thus destroying more than half the metallic money of the country, the possibility of a specie basis here lapses into an impossibility, and that of necessity this country will be remitted to a choice between greenbacks based solely on the sovereignty, honor, good faith and credit of the nation on one side and national-bank notes on the other.

If human wisdom proves so frail as to allow this choice to be forced upon us I declare myself now, without mental reservation, that as between the two I am in favor of the greenbacks. The one is just as much fiat money as the other, the greenback being the direct issue of money by the Government, while the national-bank note is the issue of the bank secured by Government bonds; so that as far as a question of safety is involved, there is but little, if any, difference between the two. Successful in this controversy the contractionist will be master of the situa-

tion, because the same influences which can demonetize silver could and would leave the banks with absolute control as to the volume of money, and this control as I have shown is the prize for which they fight. Truly, truly, this is the war of the millions.

Mr. President, the fight upon silver is the result of a belief on the part of our opponents that it was the weakest point in our line of battle. Two years ago it looked that way; but the scenes have since been shifted, so that to-day, thank God, we stand here not simply trying to defend and protect the limited-coinage act of 1878, but as aggressors demanding the free and unlimited coinage of silver and defying the usurpers of sovereign power; demanding this coinage not from a standpoint of local self-interest but upon the broad ground that it is best for the whole country, best for the entire world, and strictly in accord with correct financial principles.

Mark how we are answered by our opponents. One gentleman speaks of the 'slippery silver dollar.' Sir, there never has been but one time in its history when it appeared slippery, and that was in 1873, when it was slipped out of the list of legal-tender coins so quietly—the revision of the statutes being used as the vehicle—that Congress did not then know it had been demonetized, nor did the President of the United States for a long time afterward. If by the term 'slippery' it was intended to be called slick or smooth it exhibited its capacity in that line when is smoothly went back to its place as a legal-tender coin in 1879; not, however, by any such back-door trail as it was slipped out by, but through the open doors of Congress after a square fight."

Extract from the memorial addressed to the United States Senate by Hon. JOHN P. JONES, of Nevada, from the Executive Committee of the National Bi-Metallic Coinage Asscia- tion:

*To the honorable Senate and House of Representatives of the United States in Congress assembled:*

Your memorialists are of the opinion that the wisdom of a government is best shown by a strict construction of and in adherence to its own true objects as defined in its constitution. In this way only will the Government truly and faithfully protect the rights and liberties of the people. This best advances, too, the public welfare, and lays the foundation for the permanency and prosperity of a republic.

The persistent efforts to decry silver as a currency, and the constant misrepresentations as to its true character as a purchasing power, demand a statement of actual facts, giving at the same time an explanation as to the causes of the general depression in trade, erroneously attributed to the coinage of silver dollars.

The conflict between two such giants as the United States of America and India for supremacy in the markets of the world for their principal agricultural productions, and the uncertainty for the time being as to the issue thereof, are no doubt the primary causes of a general lack of confidence, and its legitimate consequences a general suspension of enterprise and depression of trade.

In 1873 Congress struck the first blow at our wheat, cotton, corn, linseed, and wool interests by the demonetization of silver.

The act of February 12, 1873, dropping the silver dollar from the list of coins which might be struck at the Mint, was passed when there was no gold or silver in circulation. It did not, at the time attract in any degree the attention of the country, nor were the nature and effects of substituting the gold standard for the double standard considered by the Congress which enacted it. The act was, however, in the interest of annuitants, bondholders, and the income classes generally both at home and

abroad, and it was doubtless by the quietly exercised and unobserved influences from those quarters that the actual demonetization of silver by that law was brought about.

### THE WHEAT QUESTION.

The average crop in India is from 10 to 11 bushels per acre, against 15 to 16 bushels in the United States; but India is capable of an immense increase in yield under careful cultivation, and where fertilizers have been applied its yield has increased to 40 bushels per acre. Great as is already the present production of wheat in India, it is steadily increasing, its development being limited only by the lack of transportation to the seaboard, an obstacle that is steadily disappearing in the rapid construction of the great railroad and canal system under direct patronage of Great Britain.

It was not until 1874 that the first shipment of wheat from India to Europe was made, and was then only 95,000 bushels; in 1875 it extended to 1,500,000 bushels; in 1876 it exceeded 4,500,000 bushels; in 1877 and part of 1878 over 12,000,000 bushels. During the famine of 1878–'79 the exports fell to about 2,500,000 bushels, but reached in 1880 over 15,000,000 bushels; in 1881 rapidly increased to 38,500,000 bushels; in 1882 the exact amount was 36,485,580 bushels; in 1883 the crop slightly failed, and only 26,021,875 bushels were exported; but in 1884 the crops rose once more to 38,502,285 bushels, while in 1885, up to November, over 42,500,000 bushels were exported, and for over 3,400,000 bushels freight-room had been engaged for Europe.

To obtain such results the English Government has widely and gratuitously distributed among the native ryots or farmers, for the purpose of encouraging them in the use of improved machinery, a number of plows, constructed with a special design and of peculiar style to meet the requirements of their soil. In addition, large quantities of all kinds of plows and other implements, adapted with studious care to the wants of Indian agriculture, have been sent out by the English Government to be sold at a mere nominal price.

Great care has been exercised to select seeds from foreign countries—mostly American—of the best varieties and suitable for the soil of India.

### PRICE OF LABOR AND LIVING CONTRASTED.

The Indian ryot or farmer lives in a bamboo hut; costing about 20 rupees or $9.60; his utensils, a few earthenware pots, value 2 or 3 rupees or 96 cents to $1.44. His meals consist of half an anna's (1½ cents) worth of rice or millet seed. His farming outfit consists of rude plow, a primitive wooden cart constructed with his own hands, a grubbing-hoe, a pair of bullocks, a few cows or sheep. He cuts his grain with a sickle, treads it out with his bullocks, winnows it in the air, aud carries it to market on his back. If he employes a farm hand it is at about 2 annas (6 cents) per day. These circumstances tend toward an equalization of the terms of competition between the Indian and American farmers in laying down wheat in Europe, but notwithstanding the low wages of India and its increased railroad facilities, it would still be impossible for the Indian ryot to sell wheat as cheaply in Liverpool as the American farmer were it not for the divergence caused by legislation in the relative values of gold and silver.

### OUR HEAVY LOSSES.

The exportation of wheat from India during 1884 and the eleven months of 1885 amounted to over 84,400,000 bushels, representing a loss of over $80,000,000 to our farmers and of over 3,500,000 tons of freight to our "granger" railroads, and of over $17,000,000 on their earnings.

It is needless to point out the manifold ways in which such a subtraction from one principal article of our export trade has made itself felt in all employments, and to the detriment of all branches of business.

But this is not all. On the 22d of October last, Indian wheat sold in Liverpool at 89 cents per bushel; while quality for quality compared, brought in Chicago on that day 88½ cents. The cost of transportation, partly by water, of each bushel of wheat

from Chicago to New York is a little over 6 cents; the present lay down cost of wheat from New York to Liverpool is:

| | Cents. |
|---|---|
| Free on board and insurance per bushel........................ | 1.00 |
| Freight to Liverpool.................................................. | 6.82 |
| Cost of discharging in Liverpool without commission...... | 4.50 |
| Total per bushel.......................................................... | 12.32 |

Add to it 6⅓ cents from Chicago to New York and the cost of transportation, less commission, is just 18½ cents per bushel, which added to 88½ cost in Chicago brings our American wheat in Liverpool first cost equal to $1.07 per bushel, or 18 cents per bushel more than quality for quality Indian wheat is selling in Liverpool.

This state of affairs is the consequence of the extremely low price for silver bullion which is more or less controlled in the British market. At the present price of silver bullion in London, forty-seven pence per ounce, the exchange on India is one shilling and sixpence per rupee, or 33⅓ per cent. in favor of the British importer of India's wheat, who with one thousand pounds sterling purchases 13,333 rupees instead of 10,000 rupees, which is all he could have purchased for that number of pounds in 1873, and yet the purchasing power in India of the rupee is a little greater now than it was in 1873.

Add, therefore, to the ruling rate of 89 cents per bushel of wheat in Liverpool the 33⅓ per cent. and the price at once advances to $1.19 per bushel. This rate of $1.19 per bushel in Liverpool, less freight and other charges from New York to Liverpool, would leave the market price of wheat in New York $1.06⅔ per bushel, in place of 90⅛ cents, the now ruling rate; and in Chicago it would be equal to $1 in place of 85 cents per bushel as it is now. It is evident from these figures that the restoration of silver to its old place by free coinage would at once enable the American farmer to put Indian wheat out of the European markets.

This price of 89 cents per bushel in Liverpool not only prevents us from exporting our wheat, but actually regulates the market value of it to the detriment of our farmers, who lose from

20 to 25 cents per bushel on their wheat in order to enable them to meet the now ruling low market price in Liverpool. These 20 to 25 cents on our present crop of 1885 of 352,000,000 bushels of wheat mean a loss to the American farmers of from $70,000-000 to $88,000,000.

### RAPID DECLINE IN OUR WHEAT EXPORTS.

Let us review the rapid decline in our wheat exports for the past few years.

In 1883 we exported 106,385,828 bushels, for which we received $119,879,341, equal to $1 12 3-5 per bushel.

In 1884 our exports declined over 30 per cent., and we exported only 70,349,012 bushels, for which we received $75,-026,584, or 1.06 65-100 per bushel.

In 1885 we exported some 84,500,000 bushels of wheat, for which we received only $72,933,097, or 86.32 cents per bushel, while the year previous we got over $75,026,000 for only 70,-349,012 bushels, a loss of over 20 cents on each bushel.

Not only has the American farmer been a direct loser by this reduction of the demand and price abroad for his wheat product, but he has indirectly suffered in still greater degree by the resulting depreciation of his whole crop, whether consumed at home or sent abroad; and on the crop of 1885 alone so far, he has submitted to a loss of over $70,400,000 as compared with last year's price.

This one fact is therefore proved beyond cavil or dispute, and should always be borne in mind, that to destroy the profits of the American wheat-grower it is not necessary that India should raise a crop which will meet the whole demand of Europe; it has but to furnish such a portion of the amount as will prevent an advance in the price to a point which will repay the cost of production by our own farmers.

How important a part the wheat crop of this country constitutes of the total of our exports is shown by the fact that since 1873 to 1883 about 24.85 per cent. of the whole value of our agricultural exports was made up by wheat and flour; yet the latest official statistics for the month of December, 1885, as compared with 1884, show a decline which must create an uneasiness to all who have America's welfare at heart.

The contrast between the rapid increase in the exportation of wheat from India and the equally rapid decline in the exportation of wheat from the United States is significant and startling. The export of wheat from India in 1879 amounted to 1,972,544 bushels, but has rapidly increased year by year until in 1884 it amounted to 39,202,636 bushels; our own exports have, when compared with corresponding period of 1879, when we exported 122,353,936 bushels, fallen in 1884 to 75,026,678 bushels, a decrease most appalling as well as mortifying.

The decrease in the exportation of wheat from New Orleans exhibits the following: 1880-'81, 6,523,747 bushels, while the year following it fell to 2,474,581 bushels, gradually reaching for the fiscal year September 1, 1884-'85, down to 784,195 bushels; while so far this fiscal year, of which five months have passed, not one bushel has been exported from New Orleans.

### CORN QUESTION.

Indian corn, equal in every particular to our own of the same appellation, though of comparatively recent introduction, has increased in favor most rapidly, and there were raised in 1882 in India over 75,000,000 bushels. The first cargo of India's corn was shipped to Europe in January, 1883. In 1883 the crop was over 120,000,000 bushels; in 1884 over 160,000,000 bushels. It would indeed be one of the curiosities of international trade if from this small beginning in 1882 there should grow, as in the case of wheat, an export trade from India to Europe of equally as great proportions. It is a positive fact that in the central provinces of India alone enough Indian corn can be raised to supply the wants of Europe, to which we have shipped during the year (calendar) of 1885, 62,525,742 bushels, and for which we received $33,090,350.

### THE COTTON QUESTION.

Unpromising as the outlook for our wheat-producing farmers is, the future for our cotton planters is unfortunately quite as threatening.

India's cotton, owing to the difference of exchange, has already undermined our cotton future in Great Britain and the continent of Europe.

. This is a discouraging feature, in view of the abundant crop which is awaiting a market, which forces upon us the alternative of carrying our exportable surplus until buyers are ready to pay higher prices or of selling at a very considerable decline, and in neither case is the prospect a pleasant one to contemplate for those who are carrying cotton under the belief that sooner or later Europe will require our surplus supplies; but above all we ought not to lose sight of the fact that although last year India's cotton crop was a short one, the present crop, just now being harvested, has every appearance of being an overabundant one.

Of the lands in India now devoted to cotton, it may truly be said that that they do not produce one-half of what they are capable of producing under a higher system of culture; besides, recent statistics show that there are over 125,000 additional square miles of fertile cotton lands that can be put under cultivation. In the Presidency of Bombay, the great cotton belt of India, there are over 65,000 square miles awaiting only a demand for more India cotton, and with that prospect in view the British Government is at present constructing water ways and railroads.

In fact in the short space of four years the exports of cotton from India have increased from 332,255,728 pounds to 691,059,376 pounds, or over 358,803,648 pounds, over 100 per cent.

While India on account of cheap silver has thus made rapid strides, our exports show a comparative standstill, but when compared with the increase of our crops a perceptible reduction in percentage becomes apparent.

Cheap silver in 1876 and ever since has helped India on her road to prosperity, while the American planters and cotton factors are subject not only to loss of trade but also on their invested capital.

During the period from 1879 to 1886 India has nearly doubled her spindles and looms, while during the short space of seven years, 1879 to 1885 inclusive, the increase in the production power of her mills has been still greater. The consumption of raw cotton has risen from 107,034,000 pounds to 238,699,600 pounds, an increase of 131,655,600 pounds. Let us contrast our own progress: